

Karamah would head coalition government

BEIRUT (AP). — Veteran Syrian politician Rashid Karamah met yesterday with President Amin Gemayel and indicated readiness to form a national coalition government designed to end Lebanon's nine-year civil war.

But the 62-year-old Karamah, a Sunni Moslem, said formal announcement of his designation as prime minister was "premature for the time being."

The president must, by tradition, consult with various parliament bloc leaders before designating Karamah as prime minister for the tenth time in the past 29 years.

The state radio reported that Gemayel, a Maronite, has scheduled a meeting with parliament speaker Kamel Assad, a Shi'ite Moslem, for yesterday evening and would announce Karamah's designation sometime today.

The new cabinet is widely expected to be half Christian and half Moslem in accordance with an agreement reached by Gemayel and Syrian President Hafez Assad last week.

Four people were reported hurt in sporadic shooting in Beirut. In Paris, Druse leader Walid Jumblatt met with French President Francois Mitterrand yesterday and told reporters later he was ready to serve in a Lebanese government of national unity together with his chief rivals.

Jumblatt said he was prepared to take part in the broadly-based government proposed by Gemayel "to the extent that this would help bring about a solution" to the Lebanese conflict.

Assad gives terms for peace talks

'Syria must first achieve arms balance with Israel'

By WOLF BLITZER
Jerusalem Post Correspondent
WASHINGTON. — President Hafez Assad says Syria must achieve "strategic balance" with Israel before embarking on peace negotiations.

In an interview Tuesday evening broadcast on ABC, Assad said: "This is what we strive for. We are serious in our search for peace as much as we are serious in our efforts to achieve military parity."

Regarding Lebanon, Assad said Syria was not about to abandon its efforts to control the situation there.

"If we triumph," he said, "we triumph together. If we fail, we fail together."

"If anything contrary to the interests of Syria is done in Lebanon," he continued, "it will be contrary to the interests of Lebanon."

He could envisage no circumstances in which Syria might withdraw its forces from Lebanon before Israel. "I do not see any such circumstances," he said. "Besides, I would remind you that there is a (Continued on Page 2, Col. 1)

No agreement on cost-of-living pact

By ROY ISACOWITZ
Jerusalem Post Reporter

TEL AVIV. The Histadrut and private employers agreed yesterday to set up a small working committee to formulate a common stand on a new cost-of-living agreement. The Histadrut would like to reach a new two-year agreement by the middle of next month.

The two sides remain far apart following yesterday's meeting. The Histadrut is demanding monthly pay increases at a rate not less than 80 per cent of the inflation rate. The employers want a flexible agreement in which both the rate and frequency of pay increases would be adjusted according to the pace of inflation.

The last cost-of-living agreement which provided for quarterly increases of 80-90 per cent of the inflation rate, expired at the end of 1982.

Reagan due in Peking today

AGANA, Guam. — President Reagan yesterday arrived in this tropical island, his last rest stop on his six-day visit to Peking, where a 21-gun salute is to welcome him today.

Earlier in the day, as he embarked on the penultimate leg of his voyage to the Chinese capital, Reagan declared at Hickam Air Force Base in Honolulu that "U.S.-China relations are good, and I believe they can and will get better."

While Reagan prepared for his meetings with Chinese leaders, in Moscow the Communist Party daily Pravda formally announced that First Deputy Prime Minister Ivan Arkhipov will travel to China in mid-May.

The report said Arkhipov, 77, would be in Peking some time between May 10 and 20. It gave no further details.

Arkhipov will be the most senior Soviet official to travel to the Chinese capital for more than 20 years. Asian diplomats have said his trip will mark a further step towards the normalization of ties between the two Communist powers, but they did not expect any major developments from his talks in Peking.

Aboard Reagan's aircraft, Air Force One, presidential spokesman Larry Speakes disclosed that the U.S. and China are very close to a commercial nuclear accord.

Speakes told reporters: "We hope to complete the required consultation in the next couple of days and be able to initial an agreement during the president's visit." (AP, Reuter)

14 'outstanding volunteers' honoured

By GREER FAY CASHMAN
Jerusalem Post Reporter

Seven-year-old Nir Adini of Rishon LeZion is a brain-damaged child, who two years ago was unable to speak and barely capable of moving. Yesterday, his mother, Miri Adini, with tears of gratitude streaming down her face, told an audience of some 5,000 people in Jerusalem's Binyanei Ha'uma that there is a chance that Nir may become a normal child.

She was speaking at a ceremony honouring the winners of the President's Volunteer Prize.

The miraculous turn about in Nir's condition was wrought by 14 boys and girls, members of No'ar Leno'ar (Youth to Youth), who for the past year and a half have devoted themselves to his welfare.

Two years ago, when Nir's condition was deteriorating, doctors told his parents that it might improve if

the boy did a series of strenuous exercises at regular times during the day. Not understanding what was going on around him, the child resisted all the training efforts of his parents, until they were exhausted. They turned to local social-welfare resources for help, and found a ready response from No'ar Leno'ar.

At first the youngsters fared no better with the boy than had his parents. But with patience and perseverance, they established a line of communication, which gets stronger day by day.

When they started working with Nir, the only reward the youngsters sought was to see him improve. Yesterday, President Chaim Herzog conferred the Presidential citation on them and 13 other outstanding volunteers.



Energy Minister Yitzhak Moda'i (left) gets a congratulatory kiss yesterday after winning the number one slot on the Liberal Knesset list. On the right, defeated candidate Justice Minister Moshe Nissim. (IPPA/Sammy Schwartz)

Ministers confirm refusal to help banks

By AVI TEMKIN
Post Economic Reporter

The Ministerial Economic Committee yesterday endorsed the Finance Ministry decision not to help commercial banks improve their balance sheets by refunding tax advances and banking penalties they paid during the past year.

The decision to convene the committee was taken on Tuesday night after Knesset Member and Bank of Israel advisory board chairman

Avraham Shapira tried to persuade Bank Governor Moshe Mandelbaum to help the commercial banks.

With the first of the big banks (United Mizrahi) publishing its balance sheet yesterday — see page 6 — their heads had made a final effort to persuade the central bank to refund some \$20 million they paid during 1983 as penalties for exceeding lending limits. This followed Finance Minister Yigal Cohen-Or's refusal. (Continued on Page 9)

Britain holds fourth leader of Libya mission 'students'

LONDON. — As the British police siege of the Libyan Embassy here entered its second week, a Scotland Yard spokesman said anti-terrorist detectives had detained one of the four-man "committee" of revolutionary students who took over the embassy February 18. Muhammad Matooq was detained along with eight other Libyan "students" at Heathrow Airport Tuesday when they flew in from Belgrade and Tripoli.

Matooq faces deportation. Earlier this week Britain arrested and deported two other members of the committee. The fourth left Britain a week before a gunman inside the Libyan Embassy fired on anti-Gaddafi demonstrators, wounding 10 and killing a policeman.

A three-man Libyan team met British officials yesterday to plan the evacuation of the besieged embassy in London.

The Libyan government meanwhile has agreed that Italy should handle Britain's interests in Libya after a break in diplomatic relations. British Ambassador Oliver Miles said yesterday in Tripoli. Saudi Arabia will look after Libya's interests in Britain after the expulsion of Libyan diplomats from London, the British government said yesterday.

TA's 75th birthday session tonight

TEL AVIV. — The president, the prime minister, Knesset members, rabbis and hundreds of dignitaries will attend a special session of the Tel Aviv Municipal Council this evening in Kikar Bialik, opposite the Tel Aviv Historical Museum, to mark the city's 75th anniversary. Bialik Street will be closed to traffic from the morning.

Moda'i victory only start of Likud battles

By SARAH HONIG
Post Political Reporter

TEL AVIV. — The election yesterday of Yitzhak Moda'i to the number one slot on the Liberal Party Knesset list by a 56% vote in the party's central committee is a potential source of trouble for the Likud. In the past few years Moda'i has periodically caused problems for Likud governments; he will not be accepted as a leader by Liberal Party rivals; and he will be less amenable to an understanding with Herut over amending the Gahal agreement.

(Herut maintains this agreement, drawn up 19 years ago, gives the Liberals undue weight in the Likud Knesset faction.)

Moda'i's victory was impressive in a party where clear-cut victories are not common, especially since Moda'i himself is a controversial figure in the party. He was opposed by all Liberal powerbrokers and ministers

except Agriculture Minister Pessah Grupper.

This is not Moda'i's first apparent rise to the top. A few years ago, when he was elected presidium chairman by the party convention, he appeared to have unseated the late Simha Ehrlich as Liberal leader, only to have his allies abandon him. It is not clear whether this time he can hold on to his claim to be "first among Liberal equals." His most adamant opponent, Industry and Trade Minister Gideon Patt, has already announced that he does not regard yesterday's central committee vote as a vote for the Liberal leadership but merely for the first place on the Liberal slate of candidates. Patt was quick to issue a re-challenge, stating that he will himself seek the party leadership at the Liberal convention, saying that only the convention is empowered to elect a party leader.

As Patt's statement indicates, the Liberal Party is in for one of its frequent periods of strife. Moda'i will seek to cement his position at the top, while his adversaries in the

party will seek to deny him even titular leadership.

Internal trouble in the Liberal Party has always destabilized Likud governments and can only augur ill for the Likud as a whole.

Herut, the Liberals' senior Likud partner, was uneasy about the Moda'i victory last night. Herut made it no secret that it preferred Justice Minister Moshe Nissim, who in all of his years in the cabinet has always been a compromiser, easy to get along with and with no ego problems — the opposite of Moda'i's reputation. There has been hardly a single controversial issue that has not drawn carping comments from Moda'i.

Herut also well remembers Moda'i's zeal for the Foreign Affairs portfolio, the Finance portfolio, Patt's own Industry and Trade Ministry and for the deputy premiership left vacant by Ehrlich's death.

Should Yitzhak Shamir again be charged with putting a coalition together, the prediction in Herut is (Continued on Page 2, Col. 4)

Liberals select Moda'i to head their list; Savidor and Zeigerman lose 'safe' places

By JOSHUA BRILLIANT
Jerusalem Post Reporter

TEL AVIV. — The Liberal Party's central committee yesterday chose Energy Minister Yitzhak Moda'i to head its Knesset list.

Moda'i won the support of 126 members of the 225 who voted in the Congress Hall at the Tel Aviv Fair Grounds. Runner-up Justice Minis-

ter Moshe Nissim got 89 votes, which secured him the second seat in the list. But Knesset Speaker Menahem Savidor suffered what was regarded here as a resounding blow when he got only seven votes in his bid for the number one slot.

The original plan was to elect only the head of the list in the first round and all others in the second. But

Tourism Minister Avraham Sharir suggested the second slot be guaranteed to the runner-up if he won at least one third of the votes. An overwhelming majority endorsed this proposal.

After Moda'i and Nissim won their positions, the central committee members returned to the polls to select the party's 17 other Knesset candidates out of a list of 88. The Liberal list will then be incorporated into the Likud list.

Moda'i, who held a press conference after his selection, indicated that the party needed a shakeup. "It is not at its prime," he commented.

He cited bitter personal conflicts at the top and said his impression was that the party had let down its supporters.

Claiming his selection gave him (Continued on Page 9)

BULLETIN 01.00

Shortly before 1 a.m. the Liberal Party's election committee announced the final results of the vote to select 18 members to follow Yitzhak Moda'i and Moshe Nissim on the party's slate to the next Knesset. Knesset Speaker Menahem Savidor failed to make the list, as did maverick Dror Zeigerman.

The slate, in order of votes are:

Tourism Minister Avraham Sharir, Agriculture Minister Pessah Grupper, Trade Minister Gideon Patt, Yitzhak Zeiger, Ariel Weinstein, Minister-without-Portfolio Sarah Doron, Pinhas Goldstein, Dan Tichon, Uriel Lim, Benny Shalita, Eli Kulas, Naftali Nir, Moshe Meron, Yehuda Perah, Moshe Rom, Yehudya Be'eri, Dov Barzilai, and Gustav Badian.

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AMSTERDAM	17	23	63	73	Clear
BRUSSELS	17	23	63	73	Clear
BUENOS AIRES	17	23	63	73	Clear
CHICAGO	17	23	63	73	Clear
COPENHAGEN	17	23	63	73	Clear
FRANKFURT	17	23	63	73	Clear
GENEVA	17	23	63	73	Clear
HELSINKI	17	23	63	73	Clear
HONG KONG	17	23	63	73	Clear
JERUSALEM	17	23	63	73	Clear
LONDON	17	23	63	73	Clear
MADRID	17	23	63	73	Clear
MONTREAL	17	23	63	73	Clear
NEW YORK	17	23	63	73	Clear
OSLO	17	23	63	73	Clear
PARIS	17	23	63	73	Clear
RIO DE JANEIRO	17	23	63	73	Clear
SAO PAULO	17	23	63	73	Clear
STOCKHOLM	17	23	63	73	Clear
TORONTO	17	23	63	73	Clear
VINNA	17	23	63	73	Clear
ZURICH	17	23	63	73	Clear

* For the latest weather conditions, contact Swissair.

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THE WEATHER

Forecast: Partly cloudy.

	Yesterday's Humidity	Yesterday's Min-Max	Today's Min-Max
Jerusalem	66	7-13	15
Golan	76	6-13	15
Nahariya	68	4-12	14
Safed	65	3-10	11
Haila Port	53	9-20	21
Tiberias	65	9-20	21
Nazareth	66	8-14	21
Afula	66	8-14	21
Shomron	66	8-15	17
Tel Aviv	60	12-20	22
B-5 Airport	66	9-19	21
Jericho	37	0-23	25
Gaza	57	11-19	21
Beer Sheva	33	6-20	23
Eilat	14	13-26	28

SOCIAL & PERSONAL

South Africa Ambassador David de Villiers du Buisson yesterday called on Energy Minister Yuval Ne'eman in his office in Jerusalem.

Janus Cohen, British Zionist, dies at 84

Jerusalem Post Correspondent
LONDON. — Janus Cohen, a veteran British Zionist leader, died here this week.
Cohen, who was born in Ekron, near Rehovot, was chairman of the Zionist Federation from 1952 to 1954. A solicitor by profession, his special interest was Jewish education and served for a time as president of the Federation's Education Committee.
His son Edmond is a senior official with the Jewish National Fund here.

Robert Kennedy's son David found dead

PALM BEACH (Reuters). — David Kennedy, the drug-troubled son of the late Senator Robert Kennedy, was found dead yesterday in a Palm Beach Motel.
Police said 28-year-old Kennedy was found in a first-floor room at the Brazilian Court Motel at about 11:30 a.m. There were no signs of foul play and the cause of death was not known.
David Kennedy had been spending time with his grandmother Rose, who has a home in Palm Beach, a police spokesman said.
In September 1979, the young Kennedy entered a Boston hospital for treatment of a heart ailment sometimes associated with drug addiction.
He was the fourth of Robert and Ethel Kennedy's children.

SYRIA'S TERMS

(Continued from Page One)
joint defence agreement which binds Syria and Lebanon together. This agreement requires us to participate in the defence of Lebanon against external aggression.
He criticized U.S. policy toward Lebanon. "There was no need for the U.S. as a world power, which has special interests in the world arena, to come with its fleet and aircraft carriers. She should have used her political weight in an objective policy — unbiased to Israel."
"In such a case, the U.S. would have been able to play a positive role which might be in harmony with the interests of Lebanon. A very important thing is that the U.S. in dealing with us should not resort to gunboat diplomacy."
Still, he did not reject the possibility of meeting President Reagan. "I have not said that I saw no value in a direct meeting with President Reagan," he said. "It is a question of the substance. We want normal relations with the U.S., provided they take into account our interests and the legitimate pan-Arab and national interests of our people."
Assad made these other points during the interview, his first on American television in more than two and a half years.
• Syria is not vulnerable to Soviet influence.
• Syria sees no long-term threat from Iran, which Assad supports in the war against Iraq.
• Syria sees no threat from Islamic fundamentalism, which Assad has ruthlessly suppressed in Syria.
The president, who appeared healthy, conceded there had been some jockeying for power in Syria in the wake of his heart attack last year. He said all the factions were now under control.

HOME NEWS

Herut threatens Liberals on Gahal pact

By SARAH HONIG
Post Political Reporter
TEL AVIV. — The Herut secretariat yesterday threatened the Liberal party that if they refuse to discuss amending the Gahal agreement, or if such a discussion proves fruitless, the matter will be submitted to the Herut Central Committee.

This threat is very potent, since it is no secret that a sizable majority of the 1,000 Herut central committee members favour unilateral amendment of the Gahal agreement and even its total abrogation.

The Herut decision was not a formal one. Officially, the secretariat deliberated the thorny issue of Herut-Liberal relations for over three hours without reaching any decision. However, party insiders quickly sought to circulate the news about the unofficial decision to turn the whole matter over to the central committee.

The Gahal agreement of 1965 determined the ratio of Liberal to Herut Knesset members on the Likud slate of Knesset candidates. In Herut's view, it has led to gross

over-representation of Liberals, who in 1981 entered the Knesset with 18 MKs, elected overwhelmingly by Herut votes, it is charged in Herut.

The Herut secretariat met yesterday as the Liberals were about to choose their leader and before the election of their slate of Knesset-candidates had begun. At the time, it was not known in Herut that Energy and Infrastructure Minister Yitzhak Moda'i would defeat Justice Minister Moshe Nissim for the leadership. Chances for an agreed amendment were considered far brighter with Nissim.

Yesterday's move is seen as a warning to the Liberals not to fill their list of Knesset candidates with those whom Herut considers "undesirable, potential troublemakers and traitors to the Likud."

Another unofficial decision was

that the secretariat again empower Deputy Premier David Levy to negotiate an amendment of the Gahal agreement with the Liberals, and that only failing a compromise would the matter be brought to the central committee.

Despite vociferous Liberal denials, Herut sources continued to maintain yesterday that there have been clandestine negotiations with the Liberals over the Gahal agreement.

Senior Herut sources speak of cutting the Liberal's Knesset representation by at least six, leaving the Liberals with 12 MKs, which in Herut is also considered excessive. But with Moda'i at the Liberal helm, any understandings that may have been reached with some of the other Liberals, may now be valueless.

The idea in Herut is to allot some of the seats ceded by the Liberals to

Herut Knesset hopefuls, but to allocate at least three to public figures who would join the Likud as separate factions, at Liberal expense. These figures would include one-time Herut member and former justice minister Shmuel Tamir, Tel Aviv Mayor Shlomo Lahat and former finance minister Yigael Hurvitz.

The only way seen now for Tamir to enter the Likud would be as a faction, since Deputy Premier David Levy does not wish a potential competitor for the party leadership added to Herut's hierarchy. Would-be contenders for Herut leadership would not mind seeing Tamir in the Likud, as long as he is not in Herut.

Lahat failed three years ago to win enough support in the Liberal central committee to win a Knesset candidacy. He, too, is seeking a different pathway to the Knesset, via the Likud, but not the Liberal Party.

Hurvitz, who was one of the Likud's founders, and then bolted the party to join the late Moshe Dayan's Telem, now also needs a separate factional status to re-join the Likud.

Ben-Meir drops out of NRP elections list

By ARYEH RUBINSTEIN
Jerusalem Post Reporter

Knesset member Yehuda Ben-Meir announced last night that he will not run again as a National Religious Party candidate on the list that is evolving.

Ben-Meir was in the seventh slot in the list proposed by Chief Rabbi Avraham Shapira, two below the spot he had last time.

But in a revised list that appeared in Ma'ariv yesterday, Ben-Meir had dropped to the ninth place. The drafters of the list were not specified, but it appeared that it had the approval not only of Dr. Yosef Burg, but also of Ze'evulun Hammer, Ben-Meir's partner in the NRP's youth faction.

Meanwhile, the Committee of Seven, initiated by Hachibbutz Hadati, the NRP kibbutz movement, is to meet again today in an effort to mollify the groups who reject Rabbi Shapira's proposal: the Sephardim, the women, Hanan Porat, Likud Utemura (Raphael-Glass), and Hachibbutz Hadati.

For drawing up Knesset list

Top Labour body sticks to 50-50 rule

By ROY ISACOWITZ
Jerusalem Post Reporter

TEL AVIV. — The Labour Party central committee yesterday decided not to change the method of drawing up the Knesset list for the coming elections. As in the past, half of the candidates will be chosen by the local party branches and half by an appointments committee.

Party chairman Shimon Peres will head the appointments committee and will propose the other members, all of whom must be approved by the party bureau. The committee is expected to consist of Peres, party Secretary-General Haim Bar-Lev, former prime minister Yitzhak Rabin, former president Yitzhak Navon and a handful of representatives of party power centres.

The appointments committee will decide on the ranking of the candidates, taking into account the party's agreements with Mapam and other factions making up the Alignment. Several committee members vociferously opposed an

item pertaining to the appointments committee's right to include on the list representatives of women, younger party members, and minorities — at the expense of branch candidates.

Knesset Member Nava Arad, representing Labour women, told the committee that the women support the old system, but they demand that women constitute at least 20 per cent of the Knesset list and that at least one woman be included on the appointments committee. She warned the women will "take steps" if their demands are not met.

The committee accepted a bureau proposal that local branches be given until May 10 to present their candidates.

The committee also approved a bureau proposal that the party adopt the "Norwegian law," whereby by Labour ministers (assuming the party wins the elections) will resign their seats to make way for other candidates on the list. A minister who, for whatever reason, leaves the government will regain his seat

in the Knesset. Exempt from the rule are the prime minister, his deputy, and any other minister whom the prime minister wants exempted provided that the bureau agrees.

The rule needs the approval of the Knesset before it can come into force. Likud attempts to pass such a law were unsuccessful, reportedly due to Labour opposition.

There was strong opposition to a bureau proposal that Knesset candidates holding another active position on behalf of the party — such as local authority head, Histadrut central committee member or labour council secretary — must resign the second position not later than three days after the Knesset list is presented to the central committee for approval.

Some committee members warned that the proposal could weaken the party's electoral prospects by presenting prospective candidates with the possibility of being left out in the cold if they fail to enter the Knesset. But it was nevertheless passed after raucous debate.

Cohen unplaced as Tehiya OKs merger

By SARAH HONIG
Post Political Reporter

TEL AVIV. — The Tehiya council last night decided to merge the party with ex-chief of staff Rafael Eitan's Tzomet movement. This means that Tehiya leader, Prof. Yuval Ne'eman will have the number one slot on the Knesset list, and Eitan the number two.

Selection of other candidates was put off until next week, postponing a showdown with Geula Cohen, who has threatened to bolt if she is not made number three, even though it

can no longer be considered as guaranteeing a Knesset seat.

But if denied that slot, she said, she would quit the party with the group of Erez Yisraeli loyalists whom she brought from Herut three years ago. This would leave Tehiya without any of its original Herut founders.

Ne'eman has so far refused to guarantee her the third slot.

If Cohen chooses the Herut option, her way back into that party will not be simple, as there is little room at the top there.

Interior Ministry workers will not serve the public today

By AARON SITTNER
Jerusalem Post Reporter

Work in the Interior Ministry's 23 offices throughout the country will come to a standstill this morning as the ministry's 700 employees, frustrated by what they call "foot dragging" by the Civil Service Commission on their wage-bonus demands, report for work but refuse to serve the public.

No passports, visas, identity cards, birth certificates or other personal and official documents will be issued, nor will applications for them be accepted.

As part of the work action declared by the national staff committee, workers at the ministry headquarters in Jerusalem will not answer phones or process incoming or outgoing mail and will cancel all appointments.

A staff committee leader told The Jerusalem Post yesterday "We are

sick and tired of broken promises and we refuse to be the only government workers who do not receive all those wage-related bonuses that our counterparts in other ministries receive."

He said he does not know yet whether the work action will be limited to one day, or will continue tomorrow or even into next week.

A legal source at the ministry said that the action could conceivably lead to a delay in the Knesset elections scheduled for July 23.

The Voters Register, revised for the Knesset elections, is on display at Interior Ministry offices until April 30 for citizens to examine and — if they wish — challenge. If enough citizens can prove in court that the work action kept them from examining the register, the courts could order the ministry to publish and display it again, which could delay the elections.

2 die in road accidents

Jerusalem Post Staff

A child and an elderly man were killed yesterday in traffic accidents. Three-year-old Rabah Ahmad was hit by a pickup truck yesterday while playing near her home in a Western Galilee village. She was rushed to hospital, where doctors declared her dead.

The truck driver, a Gaza resident, was held by police for questioning. Tel Aviv resident Moshe Frank, 74, was hit and critically injured by a commercial vehicle yesterday morning while riding his bicycle. He was taken to Wolfson Hospital, where he died in the afternoon. The police are investigating.

30 hurt, 30 arrested in Galilee brawl

NAZARETH. — Thirty persons were hurt in a brawl in the Arab village of Manda near here last night. Thirty brawlers were arrested.

According to initial reports, the incident reflected hard feelings among three clans over the elections held in the village half a year ago.

Knives, iron bars and stones were used as weapons.

A large contingent of Galilee District policemen restored order, using tear gas. All those hurt were admitted to hospital in Nazareth and Afula.

Policemen later patrolled the village to keep the peace.

I wounded in 3 Lebanese incidents

By MENAHEM HOROWITZ
Jerusalem Post Reporter

METULLA. — After several days of quiet, a number of attempts were made yesterday to attack Israeli soldiers in South Lebanon.

Close to noon, light-arms fire was directed at an Israeli Defence Forces position south of Ansariya from a Lebanese car. Hand grenades were also lobbed at the post. The vehicle sped off after fire was returned. There were no injuries.

In the other incident, Unifil soldiers found and dismantled an explosive device in Sha'abiya village, 14 kilometres south of Tyre.

Last night, a soldier was wounded lightly in Nabatiya by an RPG fired at an IDF patrol. Earlier in the afternoon, a patrol came under light-arms fire in the same area. There were no casualties.

European Soccer

Cup Winners' Cup Semifinals:
Juventus 1, Manchester United 0 (Juventus win 2-1 on aggregates)
Aberdeen 0, Porto 1, (Porto win 2-0 on aggregates)
EUFA Cup Semifinals:
Anderlecht 3, Notts Forest 0 (Anderlecht win 3-2 on aggregates)
Tottenham 1, Hajduk Split 0 (aggregate score 2-2 and Tottenham win on away goals rule)

Mapam first to pick Knesset slate

By SARAH HONIG
Post Political Reporter

TEL AVIV. — Mapam yesterday became the first party to choose its Knesset candidates in the current campaign — but the choice must still be ratified by the party central committee.

The choice was made by the Mapam appointments committee, which also selected two candidates for cabinet posts if the Alignment forms the next government.

The list is headed by Mapam's secretary-general, Victor Shemtov, who is followed by Elazar Granot, Yair Tsaban, Chaika Grossman, Mohammed Watad, Binayamin Yas'ur, Moshe Amar and Dov Zokin.

According to Mapam rules, a

MODAT WINS

(Continued from Page One)

that Moda'i "will be a very tough customer to deal with." He will again demand the deputy premiership and a powerful ministry — which Herut would be loath to let him have.

Furthermore, Herut is eager to amend the long-outdated 1965 Gahal agreement. Chances of doing so without an open clash with the Liberals would have been better, it is said in both the Liberals and Herut, if Nissim were at the top. Moda'i is regarded as too unpredictable and volatile. (See related story, page 2)

Moda'i has already told Herut that

any deal on the Gahal agreement will have to wait till after the elections, a formula which Herut cannot accept. By that time, the Liberals will have entered the Knesset with what Herut sees as another overly large contingent.

Moreover, it has not been forgotten in Herut that Moda'i, fighting last year for the status of a separate Likud party outside the Liberal framework, was regarded as capable of crossing the Knesset lines to team up with Labour. Some in Herut predict a wholesale Liberal defection in favour of a coalition with Labour if the Likud loses the election.



Prime Minister Yitzhak Shamir inspects new Torah Ark installed yesterday in the Haredi Kinyas Hayeled (Children's Town) in Jerusalem. The donor of the ark was Rebecca Hubert, who gave it in honour of her late father British magnate Jack Djanogly. The Djanogly family recently came under pressure from Orthodox circles because of contributions to a mixed swimming pool in the Ramat neighbourhood. The pool is in the meantime under construction. (Scoop 80/Yossi Zamir)

Average 38.2% C-o-L bonus

Post Economic Reporter
Wage earners will receive increases of between 24 and 41 per cent in their net salaries for this month, payable early in May.
The Finance Minister yesterday released figures on gross and net salaries for April that include the payment of an average 38.2 per cent cost-of-living allowance.
Expected changes in the wages of a married worker whose wife does not work:

March 1984		April 1984		Increase	
Gross Salary	Net Salary	Gross Salary	Net Salary	%	IS
20,000	19,160	27,640	26,509	38.2	7,319
30,000	26,791	41,460	37,576	40.3	10,785
40,000	33,871	55,280	47,360	39.8	13,489
50,000	40,951	67,100	57,141	39.3	16,190
60,000	47,911	82,720	66,229	39.7	19,018
70,000	53,991	96,740	75,740	40.3	21,749
80,000	60,071	110,560	84,143	40.1	24,072
90,000	65,191	124,380	92,003	41.1	26,812
100,000	70,271	138,200	99,019	40.9	28,748
120,000	79,726	165,673	112,551	41.2	32,825
150,000	93,593	195,678	126,291	34.9	32,698
200,000	113,593	245,673	146,123	28.6	32,530
250,000	133,593	295,673	165,412	23.8	31,819

Report says sales of cigarettes up

By AVI TEMKIN
Post Economic Reporter

Nineteen per cent more cigarettes were sold in the country last January than in January 1983, according to statistics released yesterday by the customs authorities. Thirty-two million packages were sold last January, as compared with 27 million a year before.

For the April 1983-January 1984 period there was a rise in the number of cigarettes sold, but it was moderate when compared with the January figure. The number of packages sold during the 9-month

period rose by 4 per cent, from 288 million in 1982/83 to 300 million in 1983/84.

The customs figures showed that cigarettes imported registered a large jump in sales in January, some 4 million packages of imported cigarettes were sold, as compared with 3 million a year before.

Local manufacturers registered a smaller increase in their sales. The public bought some 28 million packages of local brands in January, compared with some 24 million in January 1983 — a 17 per cent increase.

Proposal to end customs exemptions

Post Economic Reporter

Customs authorities will propose to the Finance Ministry that customs exemptions for special groups such as new olim be abolished and replaced by a subsidy or a grant to finance tax payments, the head of the customs and value added tax division, Mordechai Bareket, said yesterday.

According to Bareket, the existing system of exemptions encourages consumption of durables since new settlers want to "take advantage" of the exemptions and buy appliances.

Bareket also announced that his department will initiate a bill that would link to the cost-of-living index payments to and from the customs

and VAT authorities 30 or more days after they are due.

He added that the division is trying to simplify customs procedures and that price lists for different items are being distributed so that duties can be calculated more quickly.

This month imports are up some 10 per cent over last month, according to figures disclosed by Bareket.

AUCTION. — Objects of Judaea, including a Kiddush cup donated by President Chaim Herzog, are to be auctioned on May 3 at the Tel Aviv Hilton Hotel by Beth Hatefutsot to raise money for documenting disappearing Jewish communities.

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HERSCH RIECK

on the passing of his wife

Informer testifies in Avrushi trial

By ROBERT ROSENBERG
Jerusalem Post Reporter

A hidden gun, a hiding place for grenades in a fashionable Jerusalem neighbourhood, a tape recorder worn secretly by a police informer, and a police deal with an underworld figure were featured yesterday in the trial of Yona Avrushi.

Avrushi is charged with the grenade attack that killed Emil Grunzweig and wounded 11 other Peace Now demonstrators during a demonstration outside the Premier's Office on February 19, 1983.

As testimony was given yesterday by underworld figure, Pinhas Ovadiah, Avrushi cried out: "You want to hang me, so hang me!"

Ovadiah testified about how he became a police informer while carrying a cell with Avrushi in the Russian Compound lockup for several days in February.

Ovadiah is out on bail while standing trial for a drug-related case.

Ovadiah said that at first the two men said little to each other about why they were being held, until a conversation on February 16.

From the beginning of yesterday's session, Ovadiah said that Avrushi repeatedly denied throwing the grenade that killed Grunzweig.

A month earlier Avrushi had led police to the junkyard where he said he had hidden the grenade, which he had admitted he bought.

But they found no grenade.

(Police claim Avrushi admitted buying a grenade, though he denies having thrown it at the demonstration.)

Ovadiah said on that on the night of February 16, the two men discussed ways to plant a grenade in the junkyard in the Talbich neighbourhood.

Avrushi suggested the police would free Ovadiah if he led them to a gun hidden in the workshop of Avrushi's former employer in Ofra. Avrushi told Ovadiah that "the gun was stolen from a General Security Services man, so the whole country is looking for it." In fact, the police were not looking for the gun.

In turn, Ovadiah was to buy a grenade and put it in one of about three dozen old water boilers in the junkyard.

"I was supposed to wrap it in some plastic and put it inside one of the boilers, and then paint some silver paint on the boiler. Then I was supposed to call his parents and give them 'warm regards' from Yona. That way he'd know that I'd done it," Ovadiah said.

The plan was for Avrushi then to "make a lot of noise" about having been unable to find the grenade only because the original search with the police took place at night.

"Yona planned that he'd be able to go back and according to my sign, discover the grenade," said Ovadiah.

On February 17, the next day, Ovadiah asked to meet with Sgan-Nitzav Arye Schneiderscher, head of criminal investigations to the Jerusalem police.

Schneiderscher listened to Ovadiah's story about the gun, and then, as Ovadiah waited, brought in other, more senior investigators.

"I knew then I was in bigger trouble than I wanted to be in," Ovadiah told the court.

Ovadiah then explained that the information he offered about the gun was part of the larger plan with Avrushi.

The police offered Ovadiah a deal: In exchange for wearing a tape recorder and discussing the entire trade-off again with Avrushi, the district attorney would drop some outstanding charges against him.

Ovadiah then described in detail how he conversed with Avrushi. Defence attorney Itamar Hachohen tried to get on the record that Avrushi tried to avoid discussing the matter.

Ovadiah said Avrushi did finally discuss the plan for replacing the grenade. After three sessions with the hidden tape on his body, Ovadiah managed to get the entire plan on tape, and the police released him.

Several police officers also testified yesterday about technical matters regarding methods of tape recording and how prisoners are placed in cells.

The trial continues today.



Australian Trade Commissioner Bruce Lindenmayer at his uncle's tombstone yesterday before ANZAC Day ceremonies in Jerusalem. (Dan Landau)

ANZAC Day service in Jerusalem

By GREER FAY CASHMAN
Jerusalem Post Reporter

The youngest person present at the service in Jerusalem yesterday for Australian and New Zealand soldiers who died in the world war was five-year-old Thomas Battersby, whose maternal great-grandfather fought in this country in World War I, whose paternal grandfather was wounded here in World War II, and whose father, Grant Battersby, is first secretary at the Australian embassy in Tel Aviv.

This was the first time in several years that the main ANZAC Day service was held in the Commonwealth War Graves Cemetery in Jerusalem. It was done at the request of Australian Ambassador Robert Merrillees in deference to Australian Trade Commissioner David Lindenmayer, whose uncle, Lance Corporal William Caspar Miller of the 1st Australian Battalion Imperial Camel Corps, was buried in the cemetery on April 10, 1918. The tombstone inscription lists his age as 20, but Lindenmayer, who is the first member of the family to visit the grave, says that his uncle was in fact 18.

Lance Corporal Miller and Private Thomas Battersby were singled out for mention by Merrillees in his reference to Australian men and women who contributed to the Allied victories in the Middle East.

Israel Defence Forces Chaplain Sgan-Aluf Yitzhak Halamish, together with IDF cantor Yitzhak Shiber, participated with Brothers Gilbert Sinden and Fabian Adkin in the eucumenical ceremony.

From Jerusalem, the official party of diplomatic, military and religious representatives travelled to Beer-sheva for a second ceremony. Beer-sheva's Commonwealth War Graves Cemetery is the closest to Australian and New Zealand Multinational Force and Observers contingents along the Egyptian-Israeli border.

Prisoner of Zion to get honorary Ph.D.

HAIFA. — The Haifa University Senate has decided to award an honorary doctorate to Prisoner of Zion, Yosef Begun, who is imprisoned in the Soviet Union.

The degree, in recognition of his "long-standing struggle for aliyah, his open support for Israel and his teaching of Hebrew, all at the risk of his own freedom" will be awarded to him in absentia at the annual meeting of the university's board of governors next month.

Begun, born in Moscow in 1932, holds a Ph.D. degree in mathematics from Moscow University. In 1967 he was appointed researcher at the Central Research Institute in the Soviet capital.

Dismissed in 1971 when he applied to emigrate to Israel, he then devoted his time to teaching Hebrew, while continuing his scientific studies and participating in demonstrations for Israel.

He was exiled to Siberia for two years in 1977 on charges of "parasitism." Upon release he resumed teaching Hebrew and later was exiled again. He was arrested and exiled for a third time in 1982.



Fourteen stained-glass windows depicting musical instruments used in the Temple and adorned with verses from the Bible have been installed at the Great Synagogue in Tel Aviv. Shown here is Kibbutz Nahshon artist Shadmi, who did the windows. He said he used bright colours for the windows to distinguish them from the darker ones found in churches. (Sammy Schwartz, IPPA)

Gaza police investigate tomb destruction

Jerusalem Post Reporter

The Gaza police are investigating the destruction earlier this week of the Tomb of Hashem in a mosque in the town, an act for which Jordan has already blamed Israel.

But Islamic experts speculate that the tomb was in fact destroyed by fanatics adhering to the religious proscription against praying in a graveyard. Hashem, they point out, was not even a Moslem.

According to tradition, Hashem's

tomb is the burial place of the Prophet Mohammed's great-grandfather. A mosque was built around it and local Moslems have always been proud that one of the prophet's ancestors is buried in Gaza.

A pro-Jordanian activist in the Gaza District who visited the mosque on Tuesday blamed Israel for the destruction, adding incorrectly that Hashem was also the founder of the modern Hashemite dynasty in Jordan.

The Israeli military authorities in the district have appointed a team to investigate the case, which is regarded as potentially explosive in an area where religious feelings run high.

EMBASSIES. — Sudan has reopened its embassies at the level of charge d'affaires in Morocco, Iraq, Oman, Qatar, Rumania and the Netherlands, the Sudan News Agency said yesterday. These embassies, along with 16 others, were closed last June as a budget-cutting measure.

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Fleeting effects of J'lem clean-up drive

By HAIM SHAPIRO
Jerusalem Post Reporter

Two of Jerusalem's leading hotels yesterday initiated a nationwide cleanup campaign by trying to do something about one of the city's most prominent eyesores. But judging from what they accomplished, they could have stayed in their own lobbies.

The staffs of the Jerusalem Hilton and Ram hotels, armed with brooms and mops, attacked the tunnel leading from the Central Bus Station to Binyanei Ha'uma. Department heads and reception clerks, who usually push nothing heavier than a pen, tackled a type of job usually carried out by maintenance men and chambermaids.

"We had to move the beggars"

said Avi Cassouto, general manager of the Ram and head of the municipal department. City Hall is sponsoring the campaign, together with the Tourism Ministry, as part of Minister without Portfolio Sara Doron's programme to clean up the country.

Four beggars have set up what appear to be permanent stations inside the tunnel. One of the volunteers explained that at first the beggars wanted to stay put, but they followed when the cleaners moved their collection boxes a metre or two.

Shaul Bahiri, in charge of the effort for the Tourism Ministry, said that during the coming week he hopes that hotels all over the country, as well as travel agencies and car-rental offices, will follow suit and

do some cleaning-up. Jerusalem's Moriah Hotel has promised to sweep a long stretch of Rehov Keren Hayesod, on which it stands.

Back at the tunnel a few hours after the cleaning crews left, fresh paint was still gleaming on the staircase leading down from the bus station. But the ground was well littered with bits of paper, wrappings and cigarette butts. One beggar had managed to gather around herself several plastic yoghurt containers, which she was breaking into small bits and strewing around her. A vendor, standing beside an array of combs, plastic jewellery and other small objects, flicked a piece of orange peel a distance of a few metres.

Not everyone seems to have got the message.

Waiver of assets list for civil servants

Civil servants will no longer have to submit a declaration of assets upon employment if a proposed amendment to the Civil Servants' Law is approved by the cabinet and enacted by the Knesset.

The amendment has been prepared by the Finance Ministry and is now being circulated among ministers, law faculty deans, High Court justices and legal experts for their comments.

Under the present law, a civil servant must furnish the Civil Service Commission with a list of his

immediate family's property, debts and the sources of their past income.

The forms are kept in sealed envelopes and may be opened by the Civil Service Commissioner, in the event of criminal proceedings against the worker to determine whether the suspect's net-worth of that of his family members has increased substantially during his government service.

According to the Finance Ministry legal department, this provision has been used rarely, perhaps only 10 times in the 24 years it has been on the books.

Lebanese Druse visit prophet's tomb

By YOEL DAR

TIBERIAS. — Hundreds of Lebanese Druse entered Israel yesterday for the traditional celebrations at the Nebi Shueib shrine at Karnei Hittim near Tiberias. Most of the Druse came from South Lebanon. The Israeli Druse spiritual leader, Sheikh Amin Tarif, asked the government to allow the Lebanese Druse to enter the country.

Nebi Shueib is a Druse prophet identified with Jethro, Moses' father-in-law. Druse try to go on pilgrimage to his tomb at least once. After 1948, the Lebanese Druse were unable to visit the site. The Lebanese visitors expressed the hope that the border between Israel and Lebanon will remain open. Sheikh Amin told the pilgrims that Druse in Israel have never experienced a better life and greater religious freedom than today. The holiday continues today and tomorrow.

Fine for TA merchants who open memorial eve

Jerusalem Post Reporter

TEL AVIV. — A fine of 1520,000 will be imposed on any Tel Aviv businessman who keeps his premises open next Saturday night, the eve of Martyrs and Heroes Memorial Day. This was announced yesterday by David Zvi, head of the Tel Aviv municipal inspection department.

The law forbids the operation of stores, restaurants, cafes and cinemas on the eve of the memorial day for victims of the Holocaust. Zvi said that municipal inspectors will patrol the streets of Tel Aviv to ensure that the law is obeyed.

Sirens are to be sounded throughout the country for two minutes beginning at 8 a.m. Sunday, in honour of the martyrs and heroes. If there is a real alert, the sirens will sound an undulating blast.

CLEANUP. — A nation-wide cleanup campaign in all schools and other educational institutions is to be held on May 4-11, a spokesman for the Education Ministry has announced.

Ministry helps pupils with matric

Jerusalem Post Reporter

Pupils in 95 schools, who had been to take only some of their matriculation (bagrut) examinations, took all of them this year after receiving special help.

The programme, initiated last year by Education and Culture Minister Zevulun Hammer, was considered an unexpected success after 86 per cent of pupils having difficulty who had decided not to take all the examinations, changed their minds after getting special

assistance, the ministry spokesman said yesterday.

Altogether, 1,435 pupils took the special courses.

The ministry plans to enlarge the project next year to include almost twice as many schools. Plans are also being made, together with the Israel Defence Forces, to permit pupils who have taken some of the matriculation examinations to continue studying while in service and to take the needed exams next spring.

VOLUNTEERS

(Continued from Page One)

the founders of the Gadmah, has spent most of his life in some form of military activity. He first saw service in Russia under Czar Nicholas. During World War II, although considered too old to be sent to a battle zone, he joined the Jewish Brigade, and after Israel achieved independence he falsified his birth certificate, so that he could join the Israel Defence Forces. He finally retired from his military career at the age of 75, but continued to work with the Gadmah on a voluntary basis.

Fellow octogenarian Aliza Shimon of Jerusalem has spent many of her 84 years working on behalf of impoverished and emotionally and educationally deprived children.

Amalia Greenfield of Tel-Aviv has a 60-year record of aiding the needy through personal involvement. She

was among the founders of the first association for the blind in Tel Aviv and is responsible for the establishment of a sheltered workshop for the blind.

This is the tenth anniversary year of the Presidential Citation for Outstanding Volunteers. To mark the occasion, Herzog introduced the Presidents' Pin to be awarded to scores of nominees whose good works were cited as being worthy of presidential recognition.

Calling the prize and pin winners "the torch bearers of a beautiful Israel", Herzog said that there is no society free of blemish, "but if I were to measure Israeli society, I would say that the balance is in favour of a wonderful chain of volunteers."

Herzog noted that not all efforts to correct social faults are successful. "Often there is a feeling of stagnation rather than progress, but when one stops to take stock, one can see what impressive advancements this society has made," the president declared.

Thank You, Tel Aviv Hilton

I wish to express my appreciation to General Manager Dieter Buckstein and the Tel Aviv Hilton Staff for their outstanding efficiency in dealing with the fire which occurred in my room last Wednesday April 18. I am happy to point out that the Hilton is not only outstanding in comfort and hospitality, but provides the maximum in security and safety. For that, I am deeply grateful.

RACHELA ROUSEINEK, Antwerp.

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20 hours of television shows set for Independence Day

By GREER FAY CASHMAN
Jerusalem Post Reporter

Israel Television will screen 20 hours of films, live interviews, and musical entertainment between the eve and conclusion of Independence Day (May 6-7).

The special Independence Day programme will be hosted by Yaron London. Among the films to be shown will be Agatha Christie's *Death on the Nile* and Ephraim Kishon's *Sallah Shabati* starring Haim Topol. After the screening, Kishon and Topol will be interviewed by London.

The TV spokeswoman this week predicted that Topol will introduce the television audience to a 1984 update of *Sallah Shabati*.

What could produce the most moving incident in the programme will be an attempt to find the eight children seen in Jerusalem during

the War of Liberation in the final episode of the TV series *Pillar of Fire*. Their faces will be shown on screen many times throughout Independence Day in the hope that they will recognize themselves and come forward.

Song writer Naomi Shemer has written a new song for the 30th anniversary of statehood — *Hithadshut* (Renewal) — which will be sung by Ofra Haza.

On Independence Eve Sara Sharon will lead a sing-along at Migdal Ha'Emek and the following day the focus will be on Israel Defence Forces entertainment groups at Kfar Menashe.

In a more serious vein, London will interview personalities who made significant contributions to the nation's defence, to settlement, social welfare and sport.

The Smurfs (Dardasim) will have a temporary morning slot.

Canada, Israel to pool health expertise

By D'VORA BEN SHAUL
Jerusalem Post Reporter

A new model food, drug and device administration is to be set up in Israel with Canadian expertise and technical assistance. This was agreed upon at a meeting yesterday between Canadian Health Minister Monique Bégin and Health Minister Eliezer Shostak and his senior staff.

It was also agreed to establish emergency medical services in Canada along the lines of those in Israel, because of its security problems, is one of the world's leading countries in the care and

treatment of mass injuries in emergencies.

An agreement was also reached whereby Israel and Canada will recognize each other's rulings on the admissibility of drugs, food preservatives and devices and will withdraw banned items from their respective markets.

(Devices in this sense are those that may affect health, such as electric toothbrushes and ozone generators.)

A full exchange of technical and scientific information was also agreed on.

Israel Festival tickets are going fast

Jerusalem Post Staff

Tickets for individual performances in the Israel Festival, which will open May 19 in Jerusalem, will be on sale until May 15 at a 25 per cent discount, the festival management has announced.

The festival will include 170 performances of 68 artistic productions. A packet of seven tickets for the price of five can also be purchased. At present tickets may still be paid for in two monthly payments.

Over half the tickets for the festival

have already been sold, and some performances are already sold out. In response to the great demand, the festival management announced Tuesday that it will ask performing groups from overseas to add performances to their schedule.

Festival general manager Yishai Amrami said that more than half the tickets sold so far were bought by people from outside Jerusalem. Amrami said this proves the success of the experiment of concentrating the festival in Jerusalem.

Court upholds seizure of pornography

HAIFA (Itim). — A local bookdealer who appealed against the confiscation of pornographic magazines by customs authorities lost his case in the Haifa District Court yesterday, even though the judge conceded that similar material is freely sold in the country.

Haifa customs officials seized the shipment, bound for Yosef Yeshayahu, in February 1981 in accordance with the law banning the import of lewd pictures and books.

According to customs guidelines, lewd material is that which may offend a majority of the public or which is morally corrupting.

Yeshayahu's attorney argued that pictures of nudity can not be considered morally offensive in Israel today. Noting that similar material is freely imported by licence and

news-stands, he said that the court, rejecting the client's magazines was arbitrary and the petition.

In his rejecting the petition, the judge said there was no doubt that the magazines, which include pictures of sexual acts and genitalia, would be offensive to part of the public. These pictures, he said, have the aim of sexual stimulation for its own sake.

"Whatever my own opinion is on the banning of licentious material," he said, "everyone would agree that the sporadic and discriminatory enforcement of the law in this matter offends against one's sense of justice. Either enforcement should be fuller and more consistent, or the laws concerning pornographic material should be repealed or at least be treated as a dead letter."

3 policemen charged with beating Arab

TEL AVIV (Itim). — A policeman and two former policemen are being tried in the Tel Aviv Magistrates Court on a charge of beating an Arab workman three years ago. The three accused — Arye Studniya, 26, of the Tel Aviv police force, Mordechai Hershkovitz, 33, and Aharon Katner, 26, who at the time were on the force — deny the charge.

The charge sheet says that in August 1981, while wearing civilian clothes, they parked their car in Rehov Peretz. The workman, Itai Safi asked them to move it a bit, because the spot was used to load

and unload goods by the company that employed him. They beat him up and threw him onto barbed wire lying on the ground, the charge sheet says. Then they put him into the car and took him to a police station, leaving his shoes and documents behind.

The company's accountant Zvi Garmiza, told the court yesterday he saw two men beating Safi. A clerk employed by the company, Miriam Avraham, told the court yesterday she saw three men beating the workman.

Judge Yoram Galin adjourned the trial for three months.

Bus, truck passengers fight it out in North

TIBERIAS (Itim). — A brawl between the passengers of a bus and a pickup truck at the Golan Junction near here yesterday left one man injured and resulted in the arrest of 30 persons.

The bus passengers and the youths riding in the truck accused each other of reckless and dangerous driving, which almost caused an accident between the two vehicles.

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EDDIE '83

Nicaragua asks world court to intervene against U.S.

THE HAGUE (Reuters). — Nicaragua accused the U.S. yesterday of flagrantly violating international law by supporting anti-government insurgents and called on the world court to order Washington to stop covert operations against it.

At the opening of public hearings, Nicaragua asked the International Court of Justice to issue interim measures to restrain the U.S. while the court decided whether it had jurisdiction in the case.

The U.S. said on April 6 it would not recognize the court's jurisdiction in cases involving Central America for two years.

Court President Talim Olawale Elias of Nigeria said in an opening address that the U.S. had filed a letter with the court on Monday saying it had information showing that Nicaragua had not accepted the compulsory jurisdiction of the court as it claimed.

Carlos Arguello Gomez, Nicaragua's counsel and its ambassador in The Hague, told the court this was not true.

U.S. counsel Davis Robinson told reporters he doubted whether Nicaragua had accepted compulsory jurisdiction. He refused to elaborate, but said he would make this point when the U.S. addressed the court later.

In Managua, Nicaragua's Interior Minister Tomas Borge rejected negotiations with U.S.-backed insurgents and branded as "criminal" a call for peace talks by the country's Roman Catholic bishops.

"We will never negotiate with the contras," Borge said in an interview. "Never."

"Contra," short for counter-revolutionary, is the term used here for right-wing rebels armed and financed by the U.S. through the Central Intelligence Agency (CIA).

India-Bangladesh border tension up

NEW DELHI (Reuters). — Indian forces were placed on alert yesterday as tension on the border with Bangladesh remained high following an exchange of fire between troops of the two countries, the Press Trust of India (PTI) reported.

One Indian officer was wounded and unconfirmed reports said an Indian worker was also injured.

Each country has charged the other with deliberately staging the shooting, which lasted several hours.

In Dhaka, the Bangladesh authorities accused India of using its air force to escalate tension in the area.

The Bangladesh news agency BSS quoted an official source as saying that the Indian high commis-

sioner in Dhaka, I.P. Khosla, was summoned to the Foreign Office to receive two protest notes.

Bangladesh has charged Indian troops with firing first at Bangladeshi soldiers trying to stop an Indian party from putting up a barbed-wire fence along the border. But New Delhi told reporters that Bangladeshi troops had opened fire and Indian forces had acted in self-defence.

India says the border fence, planned to be built in two 100 kilometre stretches, is designed to stop a flow of illegal immigrants into the Indian state of Assam. Bangladesh has denied allegations that Bangladeshi have been crossing the frontier illegally.

Iran could have own N-bomb in 2 years—Jane's

LONDON (AP). — Iran probably will have developed its own nuclear bomb within two years, *Jane's Defence Weekly* reported on Tuesday, quoting "press reports in the Arabian Gulf."

Work on the plant was suspended after the 1979 revolution that

brought Ayatollah Ruhollah Khomeini and his hardline Islamic administration to power. But the magazine quoted Gulf press reports saying a West German company, which was not identified, had despatched 40 experts to resume work on the plant.

Gary Hart captures Vermont primary

WASHINGTON (AP). — Sen. Gary Hart won a delegate contest in Vermont and went on to attack Walter Mondale for "failed vision," while the former vice-president keeps his focus on President Ronald Reagan, saying he has pushed the world closer to nuclear holocaust.

Hart's margin of victory in Vermont's Democratic caucuses Tuesday night, where just 13 national convention delegates were at stake, was short of the 71 per cent majority he ran up in that state's non-binding presidential primary in early March.

Hart had 49 per cent of the vote with 81 per cent of the caucuses reporting, compared to 35 per cent for Mondale and 14 per cent for Jesse Jackson.

Going into Vermont, Mondale had 1,128 delegates to 626 for Hart and 167.2 for Jackson. It takes 1,967 to win the nomination at the national party convention in San Francisco in July.

Powerful quake rocks California

MORGAN HILL (AP). — The police here closed off damaged homes yesterday in the wake of an earthquake that caused millions of dollars in damage in northern California. The authorities marvelled that the quake, strong enough to crack bridges and a dam, caused only 21 minor injuries.

The quake occurred Tuesday afternoon and measured 6.2 on the Richter Scale, the University of California seismographic station said. It was centred on the Calaveras Fault, about 80 kilometres south of San Francisco.

Although the tremor was felt for hundreds of kilometres, the damage centred in Morgan Hill, about 16km south of San Jose.

Hartest hit was a subdivision of luxury homes here, where 30 houses were damaged, several knocked off their foundations. Eight homes were left uninhabitable, the local fire department reported.

The quake, felt as far away as western Nevada, was the strongest in the area since 1911, according to the U.S. Geological Survey.

Provokes national debate

German doctor helps victim of cancer to commit suicide

BONN (Reuters). — A West German doctor has provoked a national debate over medical ethics by admitting on television that he helped a 69-year-old woman cancer victim to commit suicide with potassium cyanide.

Millions of viewers tuned to Tuesday night's network news saw cancer specialist Julius Hackethal promise to grant the woman's death wish. "I will redeem my pledge tonight," he said.

Hackethal, 62, shot the film himself hours before the woman died at the Eubios Clinic in Felden, Bavaria, last Wednesday.

The woman, her face eaten away by cancer

and the scars of 13 operations, said on film that the disease had caused her such suffering that she no longer wished to live.

The public prosecutor's office in nearby Traunstein said it had ordered police to investigate the case, believed to be the first of its kind in the German Federal Republic.

Justice Ministry State Secretary Benno Erhard said it was not an offence to give a person the opportunity to kill himself or herself, although it was a crime for a doctor to administer a death drug personally in accordance with a patient's wishes.

Hackethal said he gave the potassium cyanide to a close friend of the woman after consulting three other doctors. The friends put the poison in water and left it at the woman's side.

"I would have done so myself if (the friend) had not been there," Hackethal added.

His admission drew immediate fire from the West German Medical Association, B.A.K., which said doctors had no right to decide who lived or died. But the Augsburg-based German Society for Humane Death, whose 8,000 members support voluntary euthanasia, welcomed Hackethal's action.

Afghan rebels say retreat in Panjsher valley 'tactical'

ISLAMABAD. — Afghan exiles and Western diplomats said here yesterday that they doubted Radio Kabul's announcement Tuesday night that Soviet forces had conquered the main guerrilla stronghold in Afghanistan's strategic Panjsher Valley, 90 kilometres north of Kabul.

"We have heard these lies before," said Professor Burhanuddin Rabbani, leader of the Jamiat-Islami Party.

"I am treating the report with considerable scepticism," a Western diplomat in Islamabad said. "It's hard to believe they had such a walkover."

He said the state-run radio, which announced the "last remnants" of a guerrilla group led by Jamiat commander Ahmad Shah Masood had been captured, had made false announcements of victories twice in 1982.

Rabbani said that Masood's men had probably retreated in the face of a massive Soviet assault on the long, narrow valley. "It is absolutely tactical, of course," he said. "It has been done in the past."

They will use the same tactic again, draw (the Soviets) into the valley and then crush them," he said.

Russian forces began a long-awaited assault on the valley last week after guerrillas opposed to the Moscow-backed government cut the main highway from Kabul to the Soviet Union by blowing up at least four bridges.

Western diplomats here said the Russians began high-altitude saturation bombing of the valley last Saturday after more than 500 tanks and armoured personnel carriers and thousands of Soviet troops arrived at nearby staging areas over the past few weeks.

"It appears their force levels of personnel, aircraft and armour may be higher than ever before," Defence Department spokesman Michael Burch told reporters in Washington in response to questions on the Soviet offensive.

At least 31 dead in S. Dominican food-price riots

SANTO DOMINGO, Dominican Republic (AP). — At least one person was killed in the capital as sporadic gunfire continued yesterday, shattering an uneasy calm.

Heavily armed police and military troops maintained strict security while city crews removed barricades, burned out vehicles, broken glass, burning tires and other debris from the streets in the aftermath of two days of rioting that left at least 31 dead and hundreds injured.

The protests were against government price hikes in most items including foodstuffs.

Brazilian gov't debates presidential vote

BRASILIA (Reuters). — Parliament yesterday passed a crucial debate on opposition demands that Brazilians be allowed to elect their next president.

The capital, placed under strict emergency security measures, was calm and military police stood guard outside the parliament building as the session opened.

More than 50 speakers were due to address the lower house and the senate, sitting separately, and a vote is not expected until today.

The opposition hopes to expunge from the constitution the provision, enshrined by the military architects of the 1964 coup that presidents be chosen by an electoral college.

Vietnam says China killed 30 civilians

BANGKOK, Thailand (AP). — Vietnam has accused Chinese forces of killing 30 civilians and wounding nearly 50 others and causing substantial damage to buildings and crops in a series of alleged cross-border artillery and ground troops attacks from April 1 to 20.

The allegations were made in a communiqué issued by "The Commission for Investigation of Chinese Expansionists' and Hegemonists' War Crimes Against Vietnam," the text of which was carried by a Viet-

nam news agency report dated Tuesday and monitored in Bangkok yesterday.

The communiqué charged that for 20 days and nights, Chinese forces fired nearly 30,000 artillery and mortar rounds, H-12 rockets, and many infantry gun rounds on more than 100 places in 26 districts of the six northern border provinces. The provinces were Quang Ninh, Lang Son, Cao Bang, Ha Tuyen, Hoang Lien Son, and Lai Chau.

Sports

Maccabi Haifa lose appeal

By PAUL KOHN
Post Sports Reporter

TEL AVIV. — Maccabi Haifa will play their championship soccer match against Bnei Yehuda on Saturday at 10.30 a.m. in Netanya, without spectators being allowed to watch the game.

That was the decision of the Football Association High Court yesterday, when they upheld an earlier ruling of the F.A. Disciplinary Committee against the Haifa club, following the stoning of the Bnei Yehuda bus after the teams drew three weeks ago.

As a result of the F.A. decision of last evening, Maccabi Haifa estimate their losses at ISZ00. "The game would have drawn a full house to the Kiryat Eliezer stadium in Haifa," Maccabi Haifa chairman Zvi Weitzner was appalled at the ruling. "No court in the country would impose such a disproportionate punishment. The Football Association is cutting off its nose to spite its face," he said after the hearing.

Bnei Yehuda and Maccabi Haifa are first and second in the National League, with Bnei currently holding a lead of five points. A bumper crop of 114 spectators hit the jackpot in last week's Sports Illustrated pool, with the payment relatively low — IS392,000 each. Twelve results right were worth only IS6,200; eleven will get cheques for IS795 and ten really earn IS170.

Turnover on the pool last week totalled IS147 million. A minimum total of IS50m. will be paid out in prize moneys after this Saturday's games.

Shimshon v Bnei Yehuda	Line	Perman-
Yavne v Hapo. TA	2	1X
Mac. Haifa v Bnei Yehuda	1	1X
Lot v Jaffa	1	1X
Be'er Sheva v Mac. PT	1	1X
Be'er Sheva v Yehuda	1	1X
Mac. TA v Asdod	1	1X
Bnei Yehuda v Hapo. TA	1	1X
Hapo. J'm v Marmorek	1	1X
Hapo. J'm v Hadera	1	1X
Bnei Yehuda v Asdod	1	1X
Bnei Yehuda v Bnei Haifa	1	1X
Holon v Hapo. Haifa	1	1X

Liverpool, Roma meet in final

Post Sports Staff

Liverpool marched triumphantly into their fourth European Cup final in seven years when they beat Dinamo Bucharest 3-1 in Rumania yesterday, to give them an aggregate 3-1 victory over the two legs. Despite torrential rain, the Liverpool machine operated with its usual efficiency. Both goals were scored, almost inevitably, by Ian Rush.

In the final they will clash with Roma, who began their game at home yesterday against Dundee United with a 2-0 deficit. Spurred on by 70,000 fanatical fans, Roma proved to be too powerful for the Scotsmen, Roberto Pruzzo scoring twice in the first half and Agostino di Bartolomei making it three with a penalty in the 98th minute.

Celtics win, others tied

NEW YORK (AP). — Moses Malone and Julius Erving each scored 22 points and Malone dominated the backboards with 15 rebounds as the Philadelphia 76ers defeated the New Jersey Nets 110-102 on Tuesday night to tie their National Basketball Association playoff series at two games apiece.

Once down 2-0 in the best-of-five, opening-round series, the defending NBA champions can bounce the Nets out of the play-offs in their final game on Thursday night in Philadelphia.

In other NBA play-off action on Tuesday night, Boston defeated Washington 99-96; Atlanta trimmed Milwaukee 100-97; Utah beat Denver 129-124; Portland bounced Phoenix 113-110; and Dallas whipped Seattle 107-96.

Thus Boston won their series 3-1;

Atlanta and Milwaukee are tied 2-2; Utah and Denver are tied 2-2; Portland and Phoenix are tied 2-2; Dallas and Seattle are tied 2-2. Larry Bird and Dennis Johnson combined 19 points in the fourth quarter as Boston defeated Washington to win their series, 3-1. Dominique Wilkins gave Atlanta the lead in the fourth quarter with 47 seconds remaining and the Nets trailed 99-96. The Nets were down 100-96 with 1:14 left in the fourth quarter when the Nets' Julius Erving scored 22 points and Julius Erving scored 22 points and Malone dominated the backboards with 15 rebounds as the Philadelphia 76ers defeated the New Jersey Nets 110-102 on Tuesday night to tie their National Basketball Association playoff series at two games apiece.

Brave effort

By DON GOULD
Post Basketball Reporter

Israel's junior basketball team narrowly failed to make it to the finals of the European championship, when they lost 91-84 in a vital game against a powerful Czech team in the tournament taking place in West Germany.

In a very brave effort they held the Czechs to 80-80 at full time, but could not hold the pace in overtime. Top scorers were Alon Ophir (25) and Ami Schiller (18). The Czechs and West Germans advanced to the finals.

Ivan Duncan, the American who at one time coached Hapoel Ramat Gan and who has been coaching in Europe in recent years, will take over Hapoel Haifa from Arish Malikali on the first move of the annual coaches' game of national teams. Malikali, who also coaches the national team, is expected to go to Hapoel Ramat Gan. In the meantime, he left yesterday with the national squad for Spain, where Israel play two tournaments, with Spain, Poland and the USSR.

Baseball: Tuesday

American League
New York 4, Kansas City 0; Texas at Cleveland, ppd., Rain; Detroit 6-4, Minnesota 5-3; Milwaukee 3, Oakland 2; Seattle 4 Toronto 2; Seattle 4 Toronto 2; California 8, Boston 7; Baltimore 8, Chicago 3.

National League
New York at Montreal, ppd., Rain; Pittsburgh 3, Philadelphia 2; Atlanta 4, Cincinnati 2; Chicago 3, St. Louis 2; San Diego 6, San Francisco 1; Los Angeles 5, Houston 3.

Junior tennis

By JACK LEON
Post Sports Reporter

BAT YAM. — Top boys' singles seeds Gilad Bloom, Russell Meyer, Olivier Caya (France) and Tami Zimmerman all advanced safely to the second round, when the Tennis Association's eight-nation youth tournament got under way yesterday at the local municipality's handsome Country Club courts. There was one stunning form-up when unknown Haifaite Of Yehicheli came through 3-6, 6-5 against leading Israeli junior Raviv Weidenfeld in a three-hour marathon.

The competition, a grade-3 event of Junior World Ranking Circuit for players under 19, is held annually under the auspices of the International Tennis Federation, and consists of more than 80 tournaments in 50 countries every continent.

The newly-arrived French team also includes junior champion Nathalie Pietrangeli who has been seeded No. 1 in her event. Shalev.

Shocks in Dallas

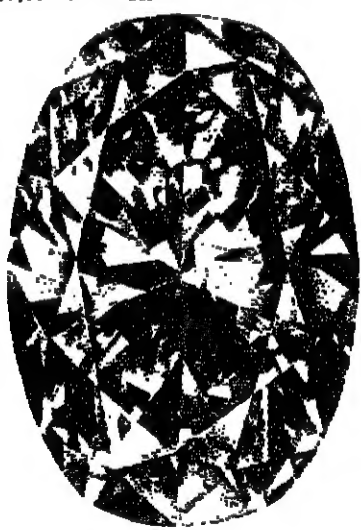
DALLAS (AP). — American Ellet Tye and the Soviet Union's opening-round match of the \$500,000 Soviet Tennis Championships. Tennis finals tournament. Shalev. Tetscher outlasted Heurick Spangberg Sweden 6-2, 6-1 4-6, 6-2 while Mayotte Szechestovskia's Tomas Smid 6-2, 4-6, 3-6.

De Beers

Extracts from Mr H.F. Oppenheimer's Statement for 1983

The year 1983 was considerably better than 1982. However, the early promise of a return to normal conditions which I reported in my last statement was not fully realised and the market for the larger, better quality stones remained weak throughout the year.

The book value of our diamond stocks increased by R421.6 million (of which R223.4 million was due to the change in the Rand/Dollar exchange rate) to a total of R2,253.9 million. Measured in United States Dollars, the currency of sale, the increase was \$163 million to a total of \$1,852.3 million.



Oval cut

De Beers' profits, including its share of the retained profits of associated companies, were R530.2 million or 147.4 cents per share, that is 20 per cent more than the R442.5 million earned the previous year. Excluding its share of the retained profits of associates, profits were R303.4 million or 84.3 cents per share compared with R202.5 million or 56.3 cents per share, an increase of 50 per cent. While the high level of stocks calls for a conservative distribution policy, in view of the substantially improved profits the Board decided that a small increase of 2.5 cents in the final dividend was justified, resulting in a total distribution of 40 cents per share against 37.5 cents in 1982.

Further signs of improving markets

Sales by the Central Selling Organisation (CSO) for the year at \$1,599 million were \$342 million or 27 per cent more than in 1982. Retail sales were also better than in either 1981 or 1982 and the Christmas trade in the United States was particularly good. The year 1984 has started well and there are now some signs of a shift in demand upwards from the small less expensive goods to medium quality diamonds. But while markets are generally better the demand for the large stones of good quality is nevertheless still restricted. Many of our customers suffered severe losses during the depression years and are naturally cautious about holding stocks of high quality goods, particularly at a time when real interest rates remain exceptionally high. Moreover the banks who were perhaps unduly ready to provide credit during the boom years are now being extremely careful in making advances. Stocks of diamonds in the cutting centres and bank indebtedness have been sharply reduced so that the trade is in a much better position from which it should be possible to expand the current level of business with safety.

50th anniversary for DTC

This year we celebrate the fiftieth anniversary of the formation of The Diamond Producers Association and of The Diamond Trading Company. The organisation which was then created for the marketing of diamonds in a manner which would protect the interests of the whole industry has proved itself both in

good times and bad. After the very severe test of the last few years the CSO finds itself in a strong position. There has never been a time during the period of more than fifty years that I have been in the diamond industry when the proportion of the total world rough diamond production marketed through the CSO was as high as it is today.

Our relations with the major producers outside the De Beers Group continue to be very good and it is generally appreciated that the willingness and ability of our organisation to hold large stocks through very difficult times has been and remains essential for the wellbeing of the whole industry. We are therefore in a good position to maintain a firm base for the rough diamond market while at the same time showing, to the extent compatible with our basic objective, flexibility in meeting the individual needs of our customers in order to help them to regain what has been lost and to move forward on a sound basis to a new level of prosperity.

Large stones — can only become rarer
The demand for the small, lower quality

Some of the ways we have shaped and strengthened the diamond industry.

goods, is now at a high level and the trade as a whole can only be expanded through an increase in demand for larger sizes and better qualities. This process has already begun but it will have to go much further before full prosperity can return to the industry. Our sales promotion this year will therefore give special emphasis to the upper end of the market. It is natural that this part of the trade should suffer more from the effects of general business recession and high interest rates than business in small sizes and lower qualities.



Pear cut

In the long run, however, there is good reason to have confidence in the attraction and value of the larger stones of high quality. While there have, in recent years, been a number of important new diamond discoveries, the great bulk of these new productions consists of below average quality stones. The production of the larger and more valuable diamonds comes mainly from the old established mines whose output is less than it was in the past and is continuing to decline. The large good quality

diamonds, therefore, can only become rarer and should increase in value. While the restricted demand for these qualities is an immediate and serious problem, it is one which, provided the



Brilliant cut

CSO keeps a firm grip on the market in times such as we have been going through, is bound to solve itself. I am not, therefore, unduly concerned that De Beers should hold substantial stocks of these qualities and am indeed confident that, as has happened more than once in my

Industrial profits rise — in the face of strong competition

Conditions on the industrial side of the business improved considerably during 1983. This improvement was, however, concentrated in synthetics, though the volume of sales of natural industrial diamonds also increased. For the first time sales of synthetics exceeded \$100 million and the profitability of the Group's three diamond synthesis factories improved substantially. This was a considerable achievement since, in the face of strong competition, sales prices tended to decline over the years and the increased profits were attributable to the use of more economic synthesis processes and improved manpower utilisation.

The tendency for industrial demand to move increasingly to synthetics may become a problem when the large Argyle mine in Australia comes into full production, since this mine will be a particularly large producer of industrial qualities. It is an important task to work out plans to meet this marketing situation and the CSO is well placed to tackle it.

Diamond production from the mines of the Group, including Debswana which is owned in equal partnership with the Government of

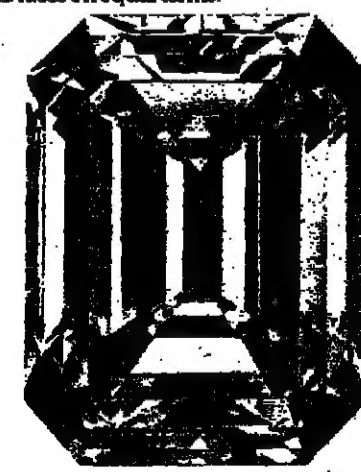
Botswana, totalled 21,349,522 carats, compared with 17,399,815 carats in 1982. The main reason for the increase was that the first full year's production, amounting to 5,852,998 carats from the Jwaneng mine exceeded the 1982 production from this source by 3,231,355 carats. Operations at this highly important new mine are going exceptionally well, both in respect of grade and recovery, and a further increase in production is expected in 1984. Production from the Kimberley Division mines rose by 964,766 carats to 6,127,947 carats, owing to a substantial increase from the Finsch mine.

Prospecting continues

Expenditure by the Group on prospecting during the year was R41.4 million. It has unfortunately been found that the kimberlites on the farm Venetia in the Northern Transvaal are not viable in present economic circumstances. However, more work on these deposits is to be carried out.

Two prospecting concessions off the Namaqualand coast were granted to the Company during the year and preliminary investigation of these concessions is in progress. In South West Africa/Namibia intensive prospecting was continued with encouraging results along the north bank of the Orange River and in the old German mining areas south of Luderitz. Systematic sampling of the ocean floor off this coast was also continued. A special effort is being made in this whole area in the hope of being able to extend the life of the CDM deposits.

The Company, by contributions made to the Chairman's Fund for improved facilities for technical education and to the Urban Foundation, as well as through its own important training and development programmes for employees at all levels, is playing a significant part in improving the environment in which it works and in providing employment and advancement opportunities to men and women of all races on equal terms.



Emerald cut

The value of our investments outside the diamond trade at 31st December 1983 amounted to R3,278 million. Income from these investments in 1983 amounted to R161.7 million, an increase of R12.7 million over the previous year. It is interesting to note that this income was well in excess of the cost of our ordinary dividends for the year.

De Beers Consolidated Mines Limited

Incorporated in the Republic of South Africa
For the full Report & Accounts for 1983 including the Chairman's Statement, please send this coupon to: The London Secretaries, Room 10, 40 Holborn Viaduct, London EC1A 1AJ.

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De Beers
The name that stands for diamonds

WHEN TELEVISION recently devoted its weekly 35-minute *Second Look* feature to two women Knesset members, Miriam Tassa-Glaser, the deputy education minister, and Shulamit Aloni, one of the interested viewers was American psychology professor Miriam Lewin.

She was in Haifa as guest of Dr. Marilyn Salt, head of the women's study program in the psychology department of Haifa University, where she lectured on Freud, *Feminism and Psychology*.

Lewin, a 32-year-old mother of three, holds a Ph.D. in social psychology from Harvard and teaches at Manhattanville College, in Purchase, New York. She has published a book, *Understanding Psychological Research*, and edited a recently published volume, *In the Shadow of the Past: Psychology Portrays the Sexes*, to which she contributed three chapters.

The TV presentation impressed her favourably for its 35-minute length, "much more" than American TV would devote to the subject, she felt. But within the limitations of having the text translated to her during the screening, she took exception to the film's "patronizing" attitude to women MKs.

She found too much was shown of the two politicians making up their faces and cooking in their kitchens. She wondered whether TV features on male politicians would show them shaving and changing the oil in their cars.

What a film about women running for parliament should show, she feels, is what their ideas and political abilities are "and not what she can do with an egg beater."

The fact that the film was actually made by a woman "only proves that women are affected by the male attitude on women's role."

Lewin, whose father the late Kurt Lewin developed the field theory of psychology and is considered father of group dynamics, strongly believes that women do not get a fair deal in psychology.

"Modern psychology is influenced by the sexual stereotypes of the 19th and early 20th century. People like Freud accepted the conventional ideas of the day. In most places, including Vienna, women were considered to be inferior. When Freud was in his fifties, there were still no high schools for women and his patients were either primary school



Who's afraid of Freud?

Women do not get a fair deal in psychology, Professor Miriam Lewin tells Ya'acov Friedler.

graduates or privately tutored."

It is therefore not surprising, she feels, that Freud wrote about the "moral inferiority" and "undoubted intellectual inferiority" of women. Yet "he was open to women as psychoanalysts, and he should be given credit for this, though he expected them, as well as male disciples, to strictly adhere to his theories, which were derogatory to women."

Freud in his work protected the fathers, including those in cases of incest. "Recent scholarship has shown that Freud had personal reasons for this," Lewin said. His own father was married three times, and Freud was a child of the third marriage "and nobody knows what happened to the second wife." It may have been a family secret the Freuds were ashamed of. Indeed, Freud was conceived before the third marriage was made "and his birthday was celebrated later to hide this fact."

Lewin holds that for these reasons, and perhaps others unknown, "Freud had an unconscious need to protect the father figure and was unable or unwilling to recognize that the man may be in the wrong."

This was perhaps most clearly brought out in the case of his patient "Dora" whose father had an affair with the wife of a family friend and wanted Dora to have one with a friend. When in analysis she expressed her disgust at kissing the elderly man, Freud scorned her for being "inhibited."

Lewin is "critical of quite a number" of Freudian concepts, particularly those "based on 19th century biology" which are retained "because of Freud's name, fame and prestige."

Freud, for example, believed "you can inherit ideas from ancient ancestors by some genetic means, which was OK by the standards of that biology."

"His Oedipus complex and penis

envy theories are based on the concept that a three-year-old child has an innate knowledge of the significance of the penis for reproduction."

Yet, though she sees no evidence that the orthodox Freudian psychoanalysis is valuable "and sometimes can be harmful" his last appeal lies in the fact that "he had an answer for everything, some unfortunately wrong, and created a beautiful system that every psychologist can play with. Until we have a better one it will stand."

She vigorously disputes that woman's inferior place in society is a matter of "tradition." She notes that in fact in the pre-literate society, when man was still in the stage of hunting-gathering, women were equals, in the same way that all men were equal, and even the leaders of tribes were not the god-kings of the later agricultural societies.

It was only when man developed large-scale agriculture which provided more than the subsistence

level that two significant developments took place. Organized warfare, probably because societies could afford to support standing armies and slavery, which applied mainly to women because the enemy males were killed by the victorious army, and the captured women were looked down on compared to "our" women.

The "sexist heritage," which women must be conscious of in order to fight it, reached a zenith during the Victorian age when the repression of women in society became unusually strong.

Lewin puts forward the theory that this was their way of limiting the size of families through "psychic birth control." By relegating women to an inferior status men were motivated to abstain from sexual relations — within marriage — and thus families were held down.

Even psychologists "have done a lot to make mothers feel guilty and ashamed" if they don't tend their children for 24 hours a day, seven days a week, as though this was the tradition to follow. In fact it evolved only in the industrial age, with the end of home industry and the replacement of the communal laundry by the steam by washing machines, which keep most women imprisoned in their homes with their children.

"Psychology is at fault for accepting folk beliefs uncritically. Luckily, we are now asking ourselves whether women don't need adult companionship. For women an important issue is consciousness raising, to begin to question whether there is another way to live. Until you are aware of the alternatives you can't live differently."

"By changing your thinking you can change your acting, and vice versa, in a cross-development. It'll take a while, as we can't change the thinking of thousands of years in just ten. But at least now we're not starting from the absolute zero women were at 150 years ago. Many women struggled and achieved changes, legal, economic, political and social customs."

Being aware that there is still a long way to go is itself an important step forward. Psychologists, like women, should not be afraid to question Freud and discard those theories of his, particularly the "sexist" ones that were the product of his day and age, and are no longer applicable.

THESE DAYS we all want recipes that stretch the family food budget, taste wonderful and are nutritious. A tall order indeed, but I think the following recipes calling for chopped meat fit the bill.

Although some of the recipes seem somewhat complicated because of the amount of chopped ingredients involved, most households possess blenders or food-processors which make preparation of these dishes easier.

Nearly all of the recipes call for minced meat as it lends itself to a large variety of dishes and is reasonable in price. It is advisable to use a nutritious meat extender (soya chips) to reduce the cost of meat dishes still further. Use one-third extender to two-thirds meat. Instructions to reconstitute the soya chips are on the packet.

However, I would not advise using extender for hamburger meat as it becomes too soft when moist ingredients are added. Chuck steak, which I have suggested for Steak Esterhazy, is a reasonably priced meat and when prepared as suggested, it is quite tender.

Rice Olympia

A meal in itself. Yield: eight servings.

1 Melt 100 gr. margarine and saute 2 cups rice over medium heat until sand-colored. Then add:

4 cups chicken broth or water with 2 chicken cubes
500 gr. salami cut into strips (julienne)
2 green peppers, diced
3 ripe tomatoes, blanched and diced
1 cup chopped onion
6-8 mushrooms, sliced
2 tsp. salt
1/2 tsp. pepper

Cover and cook over medium heat. When rice is tender and has absorbed the broth after 30-40 minutes, add 1 packet frozen peas cooked according to packet instructions and drained. Toss with rice mixture and adjust seasoning.

Dress Dreams

Yield: Six Servings.
2 large eggplants (see Note)
500 gr. minced beef
1 slice old bread, soaked and squeezed out
2 eggs

1 large onion, chopped
2 tbs. parsley, chopped
1/2 tsp. each cumin and paprika
1/2 tsp. garlic salt
1/2 cup water
salt and pepper to taste
flour and bread crumbs
oil for frying

With the exception of the eggplants and oil, mix well the next nine ingredients.

Wash and dry the eggplants and cut — unpeeled — into 1 1/2-cm. thick slices. The slices of each eggplant, then, slice from each eggplant. Now cut each slice horizontally almost all the way through to make a "pocket." Divide the meat mixture into six and fill the cut slices. Dip each slice in flour, then in egg beaten with 2 tbs. water. Finally coating with bread crumbs.

Fry in hot oil 1 cm. deep until bottom is brown and crisp. Turn over and fry until second side is brown.

Serve with tomato purée, carrots and green beans.

NOTE: The eggplants should be black, shiny and fairly light in weight. Any pieces remaining after cutting the six slices can be used for making moussaka, etc.

Klops Meat Loaf

Serves eight.
1 kilo minced beef
1/2 cup stock
2 med. onions, grated or chopped
1 med. carrot, grated
250 gr. celery root, grated
2 eggs
3 slices bread, soaked (in water) and squeezed out
4 cloves garlic, crushed
1/2 tsp. ground nutmeg
2 tsp. salt
1/2 tsp. pepper
2 tbs. chopped parsley
8 hard-boiled eggs (optional)
margarine

Grease a loaf pan, line it with grease-proof paper greased on top. With the exception of the hard-boiled eggs and margarine, mix all ingredients together. Put half the mixture into prepared pan; place cooked and shelled eggs (whole) along the centre — lengthwise — and cover with remaining meat mixture.

Dot with margarine and bake for 10 minutes in a hot oven 230°C (450°F). Reduce to medium heat until meat shrinks from sides of pan and is brown on top. Serve, cutting in thick slices so that the eggs appear in the centre of each slice.

Serve with tomato sauce as for Bell Peppers Rellenos.

Moussaka

Serves 10.
1 kilo ground beef
4 med. eggplants
1 tsp. salt
4 tbs. water
5 med. onions chopped
5 cloves garlic crushed
1 cup oil
4 tbs. flour
100 gr. tomato purée mixed with equal quantity water
1 kilo tomatoes, sliced
2 tbs. cornflour
4 cups beef stock, or 3 beef bouillon cubes dissolved in 4 cups of water
6 med. eggs

Mix the meat with the water. In the oil, fry onions until golden, adding garlic and minced meat and stirring with a fork to prevent the meat from lumping. Remove from pan.

Slice the eggplant without removing the peel, sprinkle the slices with seasoned flour and fry them.

Into a greased casserole, alternate layers (beginning and ending with the eggplant) of tomato purée, sliced tomato, and the onion and meat mixture, until casserole is filled to within 3 cm. of the top. Bake in a 180°C (350°F) oven for 1 hour.

Dissolve the cornflour in a little beef stock, beat the eggs and add to stock, together with the corn-flour mixture. Pour this mixture over the moussaka. Return casserole to oven and bake until the sauce begins to set — about 20 minutes.

Nice if made in individual cocottes.

Steak Esterhazy

Serves eight.

This tender steak is prepared from the cheapest of meats — chuck

Menu of the month

Chop chop

Minced meat is a cheap and tasty basis for several dishes, writes Jeanne Weisgal.



Ecstatic about eggplants... (David Rubinger)

1 kilo chuck steak, cut in 8 even slices
1/2 kilo carrots, coarsely grated
1/2 kilo cabbage, finely shredded
1/2 kilo onions, coarsely grated
4 stalks celery, chopped
6 cloves garlic, chopped
1/2 bundle parsley, chopped
1 kilo tomatoes coarsely grated or chopped
100 gr. tomato purée 1/2 tsp. each thyme and pepper
1 cup dry red wine
1 tsp. each paprika, salt and nutmeg
50 gr. margarine
50 gr. flour (almost 1/2 cup)
1 cup oil

extra flour, salt and pepper (for dusting meat).

Make a brown roux by slowly cooking on moderate heat 50 gr. each margarine and flour until brown. Set aside. Sauté first five vegetables in half the oil until lightly brown. Mix with tomato purée.

thyme, nutmeg, paprika, salt, pepper and brown roux. Set aside.

Dust the steaks with seasoned flour and quickly saute them in the remaining oil over a high heat. Lay the steaks in a long casserole or pan, slightly overlapping. Cover with the chopped tomato and then the chopped parsley. Carefully pour the sautéed vegetables with remaining oil from the skillet over the parsley, then pour over the wine and water to cover.

Cover the casserole and bake in medium oven 180°C (350°F) for one hour. Serve with fluffy rice.

Six Layer Dinner

Serves four to five.
1/2 kilo potatoes, sliced
3 stalks celery, chopped
500 gr. minced beef
3 med. onions, chopped
1 green pepper, cut in strips
1 med. turnip, sliced
500 gr. tomatoes, blanched and thickly sliced
1 tsp. salt
1/2 tsp. pepper
1/2 tsp. cumin
1 tbs. oil or 20 gr. margarine
1 1/4 cups stock or water with 1 cube beef bouillon

In casserole layer ingredients in order as above; season each layer. Bring to the boil and simmer for about 30 minutes until meat is cooked.

Sweet and Sour Stuffed Cabbage

Serves six.
1 lge. green cabbage
1 lge. onion finely chopped
500 gr. minced meat
1 cup sauerkraut
1 egg
100 gr. raisins (optional)
2 tbs. vinegar
4 tbs. brown or white sugar
200 gr. tomato purée
1 tsp. salt
1/2 tsp. pepper
1 cup water

Trim off outside leaves of cabbage and discard. Plunge the cabbage into a pot of boiling salted water, bring back to a boil and cook just until leaves are flexible, about 2 or 3 minutes. Carefully detach leaves and cut off the end of each central stalk.

Combine beef, rice, egg, salt, pepper and half the raisins (if used). Place a heaping tablespoon of this mixture on each leaf. Fold over sides of leaves and then roll up to form little parcels.

Shred the heart of the cabbage. Line the bottom of a heavy saucepan with the shredded cabbage. Arrange the parcels crisscross-wise on it and cover them with the sauerkraut and remaining shredded cabbage.

Mix and add to saucepan onions, tomato purée, vinegar, sugar, water and remaining raisins. Cover and simmer gently for two hours.

Egg and Lemon Meat Balls

Serves four.
500 gr. stewing steak, diced
1 thick slice of bread
leaves from 6 stalks parsley
dash of paprika
1 egg + 2 egg-yolks
2 tsp. sugar
1/2 cup lemon juice
1 carrot, diced
1 green pepper cut into strips
salt, pepper, ground ginger to taste

2 med. onions
1 lge. clove garlic; crushed
2 bayleaves
4 peppercorns
3 stalks celery diced
1 tomato
4 cups water

Soak bread (without crust) in a little water for a few seconds then squeeze out the water and put bread, meat, 1 onion and parsley through mincer or food-processor. Bind this mixture with 1 egg; add salt, pepper and ginger to taste. Form into balls 3 cm. in diameter.

Into a large saucepan add 4 cups cold water, diced carrot, celery, sliced onion, garlic, tomato, bayleaves and peppercorns. Add 1/2 tsp. salt and a good dash of pepper and ginger. Bring to the boil and slowly add meat balls — do not take sauce off the boil. Allow to simmer gently for 45 minutes to one hour.

Meanwhile, beat two egg-yolks till thick and continue beating while adding lemon juice and sugar. When meatballs are cooked, remove from stock. Strain stock and return to saucepan. Add egg and lemon mixture to stock and bring to the boil. Drop meatballs gently into the sauce, then add strips of green pepper and a dash of paprika and simmer for another 10 minutes.

Serve piping hot on fluffy rice.

Bell Peppers Rellenos

10 nicely shaped green peppers
500 gr. minced meat
1 lge. onion, finely chopped (1 cup)
1 tsp. chili powder
1/2 tsp. ground oregano
1 tsp. garlic salt
1/2 tsp. cumin
1/2 tsp. cinnamon
2 tbs. vinegar
50 gr. margarine
1 egg
1/2 cup water
1 1/4 cups Spanish-style Sauce (see below)

Cut off peppers tops 2 cm. down. Cut a circle from each top to remove the stem. Remove seeds from peppers.

Melt three-quarters of the margarine and saute onion with the seasonings. Stir over medium heat until onion is light brown.

Add remainder of margarine and minced meat. Cook until the meat is brown, stirring with a fork so as not to allow meat to lump. Remove from heat. Stir in vinegar and egg.

Spoon meat filling into pepper cases. Stand filled peppers in a heavy saucepan and replace tops on pepper cases. Pour tomato sauce and water around peppers, cover. Simmer until peppers are just tender, about 20 minutes, and the liquid reduced to a thick sauce.

Spanish-Style Tomato Sauce

2 tbs. oil or 30 gr. margarine
2 tbs. chopped onion
2 tbs. chopped celery
1 tbs. chopped green pepper
1/2 cup tomato purée
1 cup meat stock or 1 meat bouillon cube and water
1 1/4 tbs. flour

Heat margarine or oil and saute onion, celery and green pepper until the vegetables are soft. Blend in the flour. Gradually add stock and tomato purée. Cook about 10 minutes, stirring occasionally.

Today is edited by Joanna Yehiel.

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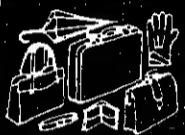
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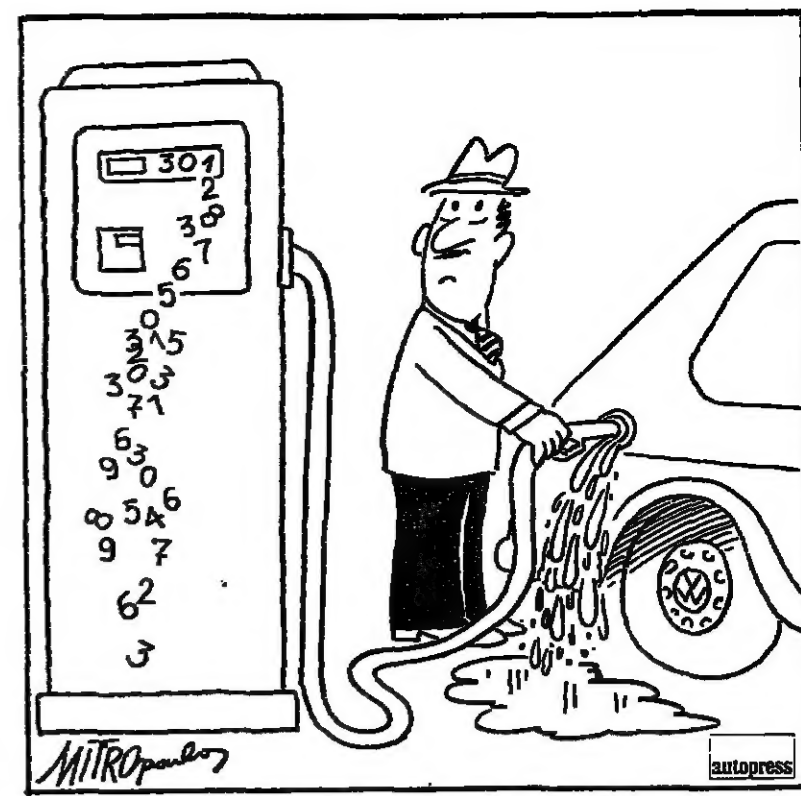
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Top left: powerful dynamic body styling and special "16V" badges make the Scirocco 16V stand out. Above left: the Passat Variant Tetra, the first all-wheel-drive Volkswagen. Above right: luxury and prestige with a full-blooded sports coupe, the Audi Quattro Sport.



AUTOMOBILE importers claim that the slump in new car sales is over. According to several importers March was the first month since Yigal Cohen-Orad became finance minister that sales are not lower than the same month the previous year. Some importers are confident that there will be a rush to buy new cars before election day.

Daniel Berkowitch, one of the owners of Japanauto, the agency that imports Subaru, told *The Jerusalem Post* that during the first two weeks of March his firm sold more than 500 cars. He believes that part of the success is due to a special sales campaign by which the agency is selling cars for half the price in cash and the other half in 10 monthly instalments at 160 per cent in yearly interest rate. Everyone buying a car in March participates in a lottery for a free car (but the lucky winner must pay the taxes).

Alexander Sommer, sales manager of Noa, importer of the Japanese Daihatsu cars told *The Post* that since November when Cohen-Orad came into office there was a drop in sales. He estimates that all the importers suffered a drop of about 50 per cent. But now things look much brighter.

Now selling the new Daihatsu Charant 1600cc, automatic, starting in June it will sell a Daihatsu Charant with power steering.

Yigal Shani, the general manager of Tel Car, the importers of Lancia told *The Post* that business has been picking up in the last few weeks. The Autobianchi A112 is still his company's best seller but he claims that the Lancia Delta and

Prisma cars are also doing quite well.

Volkswagen has recently produced a new Jetta. Company officials admit that even though more than 700,000 Jetta's have been produced since 1979, the Jetta has never established a character of its own, and seemed to always be regarded at best as a "hatchback Golf."

Unlike the previous Jetta, derived from the Golf, the new Jetta has been planned and developed in parallel with the new Golf from the very start. The new Jetta has an unusually large amount of luggage space — 575 litres. Its improved aerodynamics with a lower drag coefficient reduces fuel consumption and provides greater comfort. Even at high speeds, there's hardly any wind noise.

Champion Motors, the Israeli importers of Volkswagen and Audi, have recently started selling the SC80 Audi. According to Champion this new Audi has several features of the more expensive Audis, while the prices are relatively lower.

This new Audi 80 has three engine sizes — 1.3, 1.6, and 1.8. The last two come with automatic gears.

For those looking for something extra in a car, Champion has started to import the Audi 200 Turbo which has a 2.2-litre engine with 182 horsepower. This car can reach speeds of 230 kilometres per hour. But it's not the only potential buyers of this car that unlike West Germany, there is a speed limit on express highways here — 90 kilometres per hour. On some of the inter-urban roads in Israel the speed limit is even lower.

Car sales slump is over

Importers expect big rush to buy before election day, reports Yitzhak Oked.

FORD's "super mini-car," the Fiesta, which has been very popular in Israel, is also one of the most popular cars in Europe. Last February Ford celebrated the production of the three millionth Fiesta. According to Ford officials since the Fiesta came to the market in 1976 it has undergone several significant aerodynamic and mechanical changes to improve its fuel economy, efficiency and comfort. Changes include a new front end, redesigned interior and improved engines. This includes a new 1.6-litre Fiesta diesel.

FOR ISRAELIS who would like to try their luck in international rallying, Ford is going to give them and drivers in Europe a chance to demonstrate their potential in a series of national contests.

Anyone who would like to enter should contact a local Ford office for details.

EASTERN Automobile Corp. has started to import the new Austin Maestro, a five-door car with a 1300cc or 1600cc engine and 4.08 metres long.

THE ITALIAN Fiat company enjoyed a good year in 1983 and is hoping for at least similar results

this year. Fiat ended 1983 with about 12.7 per cent of the European car market. One of Fiat's secrets is that it has one of the newest production lines in Europe, led by a highly robotized, automated assembly line that is producing the small sedan, Uno. Last year it was voted the Car of the Year by European auto writers.

Despite Fiat's excellent performance in Europe, the company admitted to journalists that they failed in the U.S. and are not willing to put up a fight against the Japanese in the Far East markets. So it looks like in the 80s they will continue to compete aggressively in Europe against Ford, Renault and Volkswagen.

SEAT, the Spanish car manufacturer recently presented their new engines designed together with Porsche, at the Geneva Motor Show.

The engines, which come in 1193cc and 1461cc, are designed for low fuel consumption. Both engines are equipped with modern design carburettor and electronic ignition.

HERTZ, the car rental company, recently celebrated the second anniversary of its computerized

reservation system in Europe called MegaHertz. It provides information such as car availability, rates, office hours, car groups and locations. It will not accept booking if a car is not available, and tags each guaranteed booking with an individual identification number. The reservation is lodged in the MegaHertz system within seconds.

THE THIRD largest international car rental company in the world, Budget Rent A Car, has announced that it has been appointed as the of-

ficial car rental company of Transamerica Airlines — the new airline that commenced service from America to Ben-Gurion Airport in April.

Budget fleet size in Israel is now more than 500. They hope to expand to 700 during the coming summer.

THE PAZ fuel company has introduced a new fuel additive called Paz Plus, which is supposed to be added everytime a motorist fills his car with at least 25 to 30 litres of gasoline.

According to Paz engineers, this additive will improve the performance of the car, the combustion of the fuel and will decrease air pollution.

They say it is suitable for both old and new cars. The Paz spokesman claims that according to tests made in Britain, West Germany and Japan by the company that developed Paz Plus, there is a 4 per cent increase in the efficiency of fuel consumption after using this additive.

DELEK fuel company also came out with a fuel additive called

Redex, and it claims more or less similar performances. Sonol also sells a fuel additive called Molykote.

However, Dr. Eran Rechtes, head of the lubricants department of Sonol, says no one has yet found a way to check how fuel consumption is affected by these additives. Also he claims that full consumption of a car is affected by a number of factors. "Because of this it cannot be tackled by covering only one factor and not taking into consideration all the other factors."

Rechtes emphasized that the additive can only be effective if all the fuel systems must be working properly and must be clean. "Even then the car has to cover several thousand kilometres before it is possible to check the difference between a car that is using additives and one that isn't," he said.

"The car that is using the additive must use it every 25 to 30 litres during this period of several thousand kilometres, meaning that the owner has to invest several thousand shekels."

Motoring page edited by Joanna Yehiel.

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Mizrahi reports loss of IS948m.

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — The Mizrahi Bank lost IS948 million in 1983, compared to net after-tax profits of IS1,362m. in 1982 — both figures adjusted for inflation — Aharon Meir, general manager of the bank said yesterday in releasing its financial statements for 1983.

Corresponding figures in dollars were not published, but since the representative rate at the end of 1983 was IS107.8 to one American dollar, the losses can be translated into \$8.8m. in 1983, compared to net after-tax profits of \$12.6m. in 1982.

Mizrahi is the first of the four large banks which joined the "arrangement" with the Bank of Israel, to publish its results. Leumi will do so tomorrow, and Hapoalim on Sunday. Discount will follow on Monday. Their results are also not expected to be encouraging.

First International, which did not join the "arrangement," published its results six weeks ago and showed adjusted profits of IS453m., or \$4.2m. if the same representative rate method is used.

If net after-tax profits are given in nominal figures (that is, not adjusted for inflation) they were IS1,291.7m. at the end of 1983. However, the balance sheet stood at IS466.7 billion (\$4.3b.), which is a 25.6 per cent growth in nominal terms, but a 29.3 per cent loss in real terms, based on its growth above the cost-of-living index. Moreover, this is an 11 per cent real growth in dollar terms.

In discussing the profit and loss statement, Meir said he was reporting the "harsh realities,

without any attempt to beautify the results." If anything, he continued, "we went out of our way to be strict with ourselves. For example, we could have entered our profits from the sale of our share in the Israel Corporation in our financial statements, but we did not do this."

He went on to say that the results would have been much more encouraging if the talks — which are still continuing — with the authorities on readjustments of taxes had been completed before the financial statements had been drawn up. For example, the bank had paid IS500m. in taxes, although there had been no profits. If these taxes had not been paid, the fines for overstepping liquidity limits would have been reduced considerably.

But the main reason for 1983 being a bad year, he said, was that the banking community had to operate within constraints imposed by the authorities, and "we couldn't conduct our business as a business." He admitted that "we made mistakes ourselves, but even so, we would have had a fairly good year without government interference."

The year 1984 was characterized by the belief that there would be a major devaluation. So the public began liquidating its shekel accounts and moved into foreign currency equivalents. This left the banks without enough shekels to provide needed liquidity, and the results were heavy fines.

Moreover, the interest structure was such that rates on loans were low, while interest rates on deposits were high. And on October 6, 1983, the commercial bank shares collapsed.

He noted that the bank made loans of IS10,323m. at commercial rates to a number of firms which used commercial bank shares as security. That is to say, the bank lent money to several firms to buy the shares of Bank Mizrahi. These shares had a value at the end of 1983 of IS10,391m., according to the "arrangement" with the Bank of Israel, although their market value was only IS4,488m.

The bank had also set aside IS960m. to cover "doubtful debts" in 1983. This was four times the sum set aside in 1982, but Meir noted that most of this sum was earmarked to cover loans made to diamond merchants, "and there is no reason to believe that our losses will be anywhere near this figure, but we wanted to create a reserve to face any eventuality."

The good news was that nearly all the negative aspects of 1983 began to disappear early in 1984. The public had returned to putting its money in shekel accounts leading to surplus liquidity; interest rates were much more in line with reality; and fees for transactions had been adjusted upwards.

"Despite this, we continue to do everything to put our house in order." This means cutting administrative expenses by about ten per cent, or IS1,000m.

Mizrahi's results abroad in 1983 were very encouraging. U.M.B. in New York, for example, saw a 20 per cent increase in assets, to \$51.3m., and a 27 per cent increase in profits, to \$2.8m.

In Switzerland, the balance sheet stood at SFr170m. and profits grew from SFr400,000 in 1982 to about SFr1m. in 1983.

National Brewery to make Budweiser under licence

By JOSHUA BRILLIANT
Jerusalem Post Reporter

NETANYA. — The National Brewery yesterday launched a new brand — Budweiser — which it said was identical to the 108-year-old American original.

Addressing reporters here the general manager of Israel's only brewery, Samuel Dror, said the new brand was made under license from Anheuser-Busch of St. Louis, which produces the brand in the U.S.

The Americans fly here some of the raw materials, and also gave the National Brewery brewmasters some of the secret ingredients they use.

Anheuser-Busch experts visited the Netanya brewery 15 times and it took five attempts to copy the American product before they finally gave their seal of approval.

Dror said the company decided to produce Budweiser beer here to forestall its import which he believed would have started within two years.

He complained that the Dutch government subsidizes its beer exports so that some of the Dutch brands sold here are cheaper than the local Maccabi beer, for example. Dror said the Dutch help their brewers with the cost of transportation and raw materials, and also provide easy credit. Israel had imposed a purchase tax, he said, but it was not high enough.

The privately owned brewery hopes that its new brand will induce people who now consume soft drinks to shift to beer. A company official noted that consumption of



Posing in the brewery grounds are from right, board chairman Murray Goldman, U.S. embassy commercial counsellor Thomas J. Roesch and general manager Samuel Dror. (Israel Sun)

Maccabi beer had increased recently, but only in proportion to the increase in the population.

Israelis drink little beer compared with Americans and Europeans. Average consumption here is 18 litres a year. In the U.S. the figure is 100 litres and in Germany it rises to 150. In Bavaria, beer guzzling may reach 250 litres per person a year.

Next coal-fired energy plant to be easier on environment

By CHARLES HOFFMAN
Jerusalem Post Reporter

The country's next coal-fired power plant now being built just south of Ashkelon will be less damaging to the environment than the first coal-fired plant at Hadera, according to the head of the Israel Electric Corporation's (IEC) environmental unit, Yehuda Gat.

Gat and other IEC senior officials yesterday discussed the country's future energy development on a press tour of the Ashkelon site and the Hadera plant, which yesterday reached its full capacity of 1,400 megawatts. Hadera's fourth unit of 350 MW also started its running-in period yesterday.

At full capacity, the Hadera plant will save the country \$150 million a year in fuel costs.

Gat said that the Ashkelon plant, with two units of 550 MW each, will have bigger and better electrostatic precipitators compared to Hadera, which means a reduction in the amount of ash and other particles emitted. The pollutants emitted from the 250-metre high smokestack will also disperse better than at Hadera, he said.

The \$1 billion Ashkelon plant, slated for completion in mid-1989, is also expected to keep pollution levels (mainly sulphur dioxide) below the stringent standards set for both Hadera and Ashkelon. The Hadera plant, Gat said, has not exceeded these standards during its first two years of operation.

The residents of Ashkelon will see only the smokestack, but no smoke or other particles when the plant starts operating," he asserted.

Moshe Katz, head of the IEC planning division, said that the government has not yet determined whether the coal for the Ashkelon plant will come by rail from Ashdod port, or will be unloaded at a special pier at the plant site, as is done at Hadera. Failure to resolve this matter soon would lead to costly delays, he said.

Katz said that Israel could build future power plants powered by coal or nuclear energy in the Negev without the Mediterranean-Dead Sea hydroelectric project. Proponents of the Med-Dead have argued that the water from the project pumped across the Negev will be essential for cooling inland power plants.

Katz said that future plants could use an air-cooled system that has been proven elsewhere, although it is more expensive and less efficient than water-cooled techniques. In any case, he said, the amount of water provided on a loop from the Med-Dead would be sufficient for cooling only one power plant.

The IEC is now planning a site near Kibbutz Ruhama for a coal-fired station to follow Ashkelon, and a site at Shvita for Israel's first nuclear power plant. The Besor region, also in the western Negev, Beit Guvria and Nitzanim are also being checked out as potential sites for nuclear power plants.

Haifa's \$800,000 squash centre likely to earn good returns

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — A well-appointed \$800,000 squash centre with eight reconditioned courts has been opened at the Sports Complex, on the western outskirts of town.

The centre, to be enlarged past the million dollar mark, is a joint investment of DBIC International, a Discount Bank subsidiary for foreign investors in Israel and the Corex management and investment company, which also initiates foreign investments.

The Squash Centre is the second in Israel after a similar centre was opened by the partners in Herzliya. It may be followed by two more in Tel Aviv and Jerusalem if negotiations with the municipalities go through, the directors, Gideon Erhard and Gadi Golan, told the press here yesterday.

DBIC concentrates on investments in industry and high-technology firms, while Corex focuses on real estate. The two

companies have decided, however, to work together on leisuretime projects, for which a growing need has been felt here. Squash, a popular sport in English speaking countries is particularly attractive to their foreign investors.

The centre is open from 6.30 a.m. to 11 p.m. a charges \$3 per half hour of court use for each player during prime time, after 5.30 p.m., and \$2 at other times. Members, who pay an annual fee of \$150, pay half for each session.

The investors calculate that their enterprise will become profitable with a 70 per cent exploitation during prime time and 30 per cent in off-time. Judging by the 165 people who have already signed up for membership and the 150 "occasional" players this should not be hard to achieve.

The entrepreneurs praised the municipality for its quick processing of all licensing, which enabled them to open the centre within two years of the planning.

Lagos, Tokyo and Cairo world's most expensive cities

GENEVA (AP). — For the third straight year, Lagos, Tokyo, and Cairo are rated as the world's most expensive cities, according to a survey compiled by Business International Corp. and released yesterday.

But the rise of the U.S. dollar on the world money markets has placed three American cities — Chicago, New York, and San Francisco — in the top 10 on the list of 85 cities, and has caused spectacular shifts in the rankings of most others.

The most dramatic change came for the Venezuelan capital of Caracas, which plunged from number four position on last year's list to the bottom end because of a drastic devaluation of the bolivar.

Except for Tokyo — where the ratio remained unchanged at 130 compared with New York's 100 — the stronger dollar made all cities cheaper for the Americans.

For the first time, all European cities listed were less expensive than New York. In turn, the U.S. became increasingly less of a bargain for visitors from abroad.

Business International is an independent research firm which pre-

pares the survey to help multinational companies determine cost of living differentials paid to expatriate executives. The survey is based on a "weighted" index taking into account food, household supplies, recreation, transportation, and selected other items.

Three-digit inflation brought a specially sharp erosion to the values of currencies in four of the cities listed. During the 12 months ending last January, the rate was up 466 per cent in Buenos Aires as measured by an index of "inflation for executives," which takes into account the purchasing habits of this group, the survey said. Tel Aviv registered a 231 per cent increase, Rio de Janeiro 228 per cent, and Lima 122.

The rate was lowest in Switzerland, and the United Arab Emirates, with 2.5 per cent.

Selected cities and their executive cost-of-living indexes based on New York:

Lagos 139 (16.5 annual inflation); Tokyo 130 (4.5); Cairo 107 (16.0); Singapore 102 (5.0); Abu Dhabi 99 (2.5); Melbourne 93 (6.0); Tel Aviv 79 (231.0); Bangkok 79 (3.5); Bombay 64 (13.5); Manila 61 (33.5).

Sharp drops in sales during March

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — There has been a sharp drop in sales during March this year compared to March, 1983, the Federation of Israeli Chambers of Commerce reports. The federation, which published one of its periodical surveys, noted that most branches also reported considerable drops in inventories.

The largest drop, of 60 per cent, was in the sale of wood for construc-

tion and housing. But several sectors, such as textiles (cloth), building materials, sanitary equipment for building, medical supplies, reported drops of 50 per cent. Decreased sales of 45 per cent were reported for electrical appliances and furniture. There were 40 per cent drops in the field of cosmetics.

Several sectors reported no fall in sales. They are: paper and carton, agricultural equipment, medicines, food, household utensils and insecticides.

U.S. Big Three car sales up 26%

DETROIT (Reuters). — Car sales by the "Big Three" American vehicle manufacturers rose 25.9 per cent in mid-April over the previous year for the industry's best showing in the period since 1979, the companies said yesterday.

Chrysler sales were up 31 per cent. General Motors rose 26.5 per cent and Ford advanced 18.5 per cent during the nine selling days from April 11-20.

Industry analysts said the sales represented a seasonally adjusted annual rate of 7.7 million for American-made cars, a slight dip from the 8.17 million rate in the first quarter of 1983.

But they said the figures were not surprising because the rate in early April was above the trend of improvement from last year and some easing was normal.

The smaller American Motors, in which Renault of France is the major shareholder, said sales of its Renault-designed cars higher than a year ago, while overall sales declined by 20 per cent. But it said sales of Jeep models were up by 90 per cent.

Clever Devices Corp. announced that Bank Leumi is no longer an interested party in the company.

bank leumi le-israel b.m.

CONDENSED STATEMENTS AS AT DECEMBER 31, 1983 OF FOUR MAIN OVERSEAS BANKING SUBSIDIARIES

BANK LEUMI TRUST COMPANY OF NEW YORK (27 Branches) (In US \$ Thousands)					
ASSETS			LIABILITIES		
	1983	1982		1983	1982
Cash and Banks	1,051,927	1,117,675	Shareholders' equity	94,695	89,809
Securities	272,577	439,107	Capital notes	35,650	17,650
Loans	1,606,941	1,142,149	Deposits	2,842,904	2,631,528
Bank premises and equipment	34,454	30,476	Acceptances outstanding	7,373	8,645
Customers' liability for acceptances	7,373	8,645	Other liabilities	47,488	50,603
Other assets	54,838	60,183	TOTAL	3,028,110	2,798,235
TOTAL	3,028,110	2,798,235			
Contingent liabilities	98,663	91,192			
Condensed Statement of Profit and Loss for the year ending 31.12.83:					
Profit before tax	9,747	12,870			
Net profit	6,823	6,330			

BANK LEUMI (UK) plc (6 Branches and Offices in the U.K.) (In £ Thousands)					
ASSETS			LIABILITIES		
	1983	1982		1983	1982
Cash and Banks	138,660	139,936	Shareholders' equity	9,000	8,743
Securities	3,696	2,208	Subordinated loans	5,750	4,250
Loans and other accounts	150,711	114,578	Deposits and other accounts	278,316	243,729
Liabilities of customers (Contra items)	30,091	28,335	Liabilities on account of customers (Contra items)	30,091	28,335
TOTAL	323,157	285,057	TOTAL	323,157	285,057
Condensed Statement of Profit and Loss for the year ending 31.12.83:					
Net profit after tax and transfer to inner reserves	714	638			

BANK LEUMI LE-ISRAEL (FRANCE) S.A. (6 Branches in France) (In FFr Thousands)					
ASSETS			LIABILITIES		
	1983	1982		1983	1982
Cash and Banks	1,726,414	1,519,416	Shareholders' equity	74,126	70,331
Securities	37,432	39,908	Deposits of Banks	1,487,734	1,196,768
Loans and other accounts	983,431	768,345	Deposits and other accounts	1,215,866	1,086,729
Bank premises and equipment	30,449	26,149	TOTAL	2,777,726	2,353,818
TOTAL	2,777,726	2,353,818			
Contingent liabilities	228,105	170,676			
Condensed Statement of Profit and Loss for the year ending 31.12.83:					
Profit before tax	9,032	11,426			
Net profit	3,795	4,297			

BANK LEUMI LE-ISRAEL (SWITZERLAND) (2 Branches in Switzerland and a Branch in the Cayman Islands) (In SFr Thousands)					
ASSETS			LIABILITIES		
	1983	1982		1983	1982
Cash and Banks	192,671	234,589	Shareholders' equity	54,241	50,938
Loans	326,516	241,726	Deposits of Banks	276,518	252,118
Securities	37,188	29,806	Deposits and other accounts	282,449	209,892
Other accounts	56,833	6,827	TOTAL	613,208	512,948
TOTAL	613,208	512,948			
Contingent liabilities	100,778	91,026			
Condensed Statement of Profit and Loss for the year ending 31.12.83:					
Profit before tax	9,700	7,050			
Net profit	6,604	5,050			

BANK LEUMI GROUP NETWORK
450 BRANCHES, SUBSIDIARIES AND REPRESENTATIVE OFFICES AROUND THE WORLD INCLUDING 74 OVERSEAS OFFICES:

NORTH AMERICA: New York (27 branches), Chicago, Los Angeles (2 branches), Philadelphia, Miami, Toronto (2 branches), Montreal, Cayman Islands and Bahamas.
SOUTH AMERICA: Argentina, Brazil, Venezuela, Panama, Uruguay (2 branches), Mexico, Chile.
EUROPE: U.K. (5 branches and 1 representative office), France (6 branches), Switzerland (2 branches), Italy, Belgium, and Germany.
SOUTH AFRICA: Johannesburg
FAR EAST: Hong Kong
AUSTRALIA: Melbourne



bank leumi le-israel בנק לאומי

156 shares down, 36 'sellers only'

TEL AVIV. — A tidal wave of selling hit the stock market yesterday. Although the negative decision by the Finance Ministry about making any readjustments on taxes paid by commercial banks (which are losing money in real terms) came only in the afternoon, the feeling prevailed here earlier in the day that the ministry would say "no."

This feeling was based on the conjecture that the ministry would not agree to the requests of the commercial banks after Union Bank, an affiliate of Leumi, had published its profit and loss statement earlier in the week, and that Mizrahi was ready to publish its results yesterday. (Story on page 8)

And with the commercial banking system showing losses in 1983 (except for First International), there is a feeling that most other companies will follow suit.

Tel Aviv Stock Exchange

BY MACABEE DEAN

showed drops of 10 per cent, and now and then a bit more, but the overall picture is not so frightening. The General Share Index only fell by 0.06 per cent; but this of course, does not reflect the market for the "free" shares, for the index of commercial banks in the "arrangement" shares, the general index of the free shares fell by 2.68 per cent.

Commercial banks not in the "arrangement" showed strong losses, with Mizrahi and First International falling by 10 per cent, while Danot, both 1 and 5, fell by 5 per cent.

Among the "arrangement" shares, whose prices are regulated on a long-range basis by the Bank of Israel, IDB ordinary gained 1.1 per cent; Discount gained 6.7 per cent; Hapoalim rose by 1.8 per cent, while Leumi remained firm, despite selling pressure.

Of the free shares which fell by about 10 per cent, mention should be made of Jaysour 5, Sahar 1, Ya'ana 1, Ampa 0.5, Seismica 5.

Elco 0.25 registered, Zion Cables and Lodzia.

The hardest hit sector was oil exploration, whose index fell by 5.78 per cent, followed by investment companies, down an average of 4.54 per cent. Among the latter, Discount Investments lost 5.2 per cent; Mizrahi Investments 8.1 per cent; and Wolfson 0.1, fell by 9 per cent.

Among index-linked bonds, 80 per cent linked had a turnover of IS258.2 million out of a total turnover of IS509.6m. These 80 per cent linked were firm, although some rose by up to 3 per cent. The index for bonds rose by 0.83 per cent, with the biggest gains made by bonds linked 100 per cent. Those linked 100 per cent paying three per cent interest (Galil) rose by 2.31 per cent.

Hadarim Properties acquired 880,000 ordinary IS5 shares of Pri-O outside the stock exchange on April 19, bringing its holdings up to 4,400,000 shares. This constitutes 74 per cent of the Pri-O equity. Hadarim paid IS615 per share.

M.L.T. will increase its capital by 100 million IS1 shares, bringing its total capital up to 500m. The company will also distribute 100 per cent bonus shares, with the shares going "ex" on April 29, and distribution being made on May 2.

Most active stocks

Leumi	2,910	IS38.1m.	n.e.
Hapoalim	4,515	IS35.5m.	+80
IDB ordinary	6,690	IS28.3m.	+70
Stocks traded		IS147.3m.	
Convertible		IS13.3m.	
Bonds		IS509.5m.	
Stocks up	111		
Stocks down	303		

IMF to get \$6.3b. from 20 countries

WASHINGTON (AP). — Representatives of 146 member governments have approved arrangements for the International Monetary Fund to borrow \$6.3 billion for lending to countries in financial trouble, an IMF source said on Tuesday.

The money will come from Saudi Arabia and 19 other governments. Contrary to past U.S. policy, the administration of President Ronald Reagan is not leading any of the money, though it approves the operation.

An official announcement is expected tomorrow.

Half the money will come from Saudi Arabia, to which the fund already owes about \$10b., while the rest will come largely from West European countries and Japan.

Poor countries have foreign debts estimated at \$810b., and some economists question whether they can ever be fully repaid. Banks have reduced their lending and much of what they now lend goes only to pay the interest owed to them on past debts.

New firm to market Pulsar Quartz watches

TEL AVIV. — The International Pulsar Quartz watch brand is now being marketed in Israel by Elitan, a new company established by industrialist Sani Jacobovitz and Toli Gellerman, who is the owner of a jewelry store chain in Germany.

Pulsar Quartz watches are manufactured by the largest watch company in the world, K. Hattori Corporation, which includes amongst its companies Seiko watches, Orient watches and Epson computers.

Pulsar Quartz watches were originally launched in the U.S. in 1980 and are now established as the second most favoured watch brand in America. By the beginning of 1983, Pulsar Quartz watches were also being marketed in Europe, South Africa, Australia and Canada.

In 1983, approximately 1.8 million watches were sold in the U.S. and in Europe, nearly 500,000 in Great Britain alone. In total, around 4 million Pulsar Quartz watches were sold around the world in 1983.

Company	Price	Volume	Change
Leumi	1960	1	-40
Martinez 0.1	624	516	-99
Martinez 0.5	341	1151	-27
N. American	5401	35	-55
N. Am. op 1	3449	28	-35
Danot 1	419	s.o.i.	-2
Danot 5	85	s.o.i.	-5
Danot 2	241	64	n.e.
First Int'l 1	295	1919	-33
First Int'l 5	370	2097	-5

Company	Price	Volume	Change
IDB p	6690	424	+70
IDB r	6720	5	n.e.
IDB 5	41700	1	n.e.
IDB op 1	5100	98	-200
Discount B r	8630	4	-30
Discount B 5	8800	228	+550
Discount B op	1000	150	n.e.
Mizrahi r	no trading		
Mizrahi op	no trading		
Mizrahi 11	no trading		
Mizrahi 12	no trading		
Mizrahi 13	no trading		
Mizrahi 14	no trading		
Mizrahi 15	no trading		
Hapoalim p	5737	784	+80
Hapoalim r	4570	65	+150
Hapoalim 5	17201	5	n.e.
General A	12020	48	+850
General op	27950	15	+700
General op 5	10950	15	+350
General 5	9051	26	+550
General op 5	574	246	+35
Leumi r	2910	1999	n.e.
Leumi op	404	142	+178
Leumi 11	1120	325	+28
Leumi 12	1120	325	+28
Leumi 13	1120	325	+28
Leumi 14	1120	325	+28
Leumi 15	1120	325	+28
Leumi 16	1120	325	+28
Leumi 17	1120	325	+28
Leumi 18	1120	325	+28
Leumi 19	1120	325	+28
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Ari Rath
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Unsavory trade

ISRAEL has officially denied selling arms to the Nicaraguan rebel forces. Such reports are "a base attempt to cast a slur upon Israel's image and international standing," the Foreign Ministry has said, describing them as "rumours."

The "rumours" were a report by the NBC television network in the U.S. in which one Enrico Bermuda, a commander in the rebel forces, said that the arms supplied to them had their origin in the weaponry captured by Israel from the PLO in Lebanon. Bermuda did not say that these arms were supplied to his forces by Israel. He said or implied that they originated there.

The Foreign Ministry denied issued in Jerusalem was supplemented by our embassy spokesman in Washington, who said that Israel sells arms to countries (meaning governments), not to rebels.

The statements issued by official spokesmen in Jerusalem and in Washington are true as far as they go. The trouble is, as has recently become more frequent, that they do not go far enough, and certainly do not come close enough to the truth.

It is probably factually true that Israel has not sold any arms to the Contra rebels, and it is true that Israel, in its burgeoning arms trade, has steered clear of selling arms to rebels. That has been the policy for many years — not only because rebels sometimes can't pay, but also because in the morally unsavory, politically delicate and commercially risky business of arms sales, it is the better part of wisdom to steer clear of anything that might serve, directly or indirectly, to destabilize governments in *de facto* power, let alone those who rule their countries legitimately.

The Foreign Ministry spokesman tacitly admitted that, if Israel had been selling arms to the Nicaraguan rebels, this would have been justifiably seen as a morally and politically contemptible act. How true. Israel has no quarrel with the Sandinist government in Managua, regardless of whether the ideology and practice of that revolutionary government is to everyone's liking here. When Israel supplied arms to the oppressive government of Anastasio Somoza, whom the Sandinistas toppled after fifty years of family dictatorship, it did not ask for a moral clean bill of health either.

Israel's course, in the business of selling arms, has for many years been to sell to governments in power without regard to their domestic or foreign policy. Political considerations have been a constraint on the sale of arms; they have not dictated a favourable decision, or any special effort to supply arms out of considerations other than strictly commercial. Even more remote has been any possibility that Israel would sell arms at the behest of a third party, for example, as a surrogate supplier for the United States.

While it may be true that Israel has sold no arms to the Nicaraguan Contras, what has not been denied explicitly by the government's spokesmen is that Israel has been supplying arms to Honduras. It is from Honduras territory that the "contras" launch their attacks upon the government of Nicaragua. And if Israel has been supplying arms to Honduras (Ariel Sharon was there twice last year) it has done so in the full knowledge that these arms were destined for the Contras. This in turn would mean that Israel had become a mercenary of the U.S. administration in a course of policy that is highly controversial in the United States itself.

In the volume of its arms sales, Israel is first or second after the big industrial powers. Like France and Britain, like Germany and Italy, not to speak of the two superpowers, Israel has been cynical in this trade and has not set itself up as a judge over the use to which the arms it sells are going to be put.

To sell arms out of necessity — more justifiable in Israel's case than in that of the other countries in this awful trade — is one thing. To act as the agent of a CIA that is being hemmed in by the U.S. Congress is another thing altogether.

Israel's arms trade is certainly not an election issue. Most people neither know anything about it nor would they care to. But after the elections, this trade, on which Israel has become dangerously dependent, should be the subject of a thorough political and economic review.

SOCIALISM FOR THE EIGHTIES

By MISHA LOUVISH

WHAT DOES socialism mean for Israel today? Even in the heat and stress of a crucial election campaign it may be worth pausing for a while to consider this fundamental question. For the Israel Labour Party still defines itself as a socialist party, although it tends to steer clear of the term in its propaganda — perhaps because of the prejudices it arouses among electors who hail from the Soviet Union and the Moslem countries.

During the past century, and especially since the beginnings of labour settlement, the socialist Zionist movement has evolved its own distinctive socialist theory and practice, but we cannot get much useful guidance from the principles enunciated in the past — although, of course, we should absorb and apply the lessons of experience.

Marx's call for "the overthrow of the bourgeoisie by the proletariat, leading to the establishment of a classless society" is quite irrelevant today, certainly in Israel.

So, to go to the other end of the socialist spectrum, is the famous Clause 4 of the British Labour Party's constitution, which demanded "the nationalization of the means of production, distribution and exchange."

More, perhaps, may be learned from such goals as "complete freedom, complete equality, complete cooperation" (Moses Hess, in 1843); "liberation from social servitude" (Joseph Trumpeldor in 1911); "the building of the Jewish working society in the Land of Israel" (the founding conference of the Histadrut, 1920), or "the abolition of class servitude and social deprivation" (the founding conference of Mapai, 1930).

SUCH FORMULAE, however, may serve as a guiding star, an indication of direction, or a criterion of the imperfect extent to which we have advanced towards the ideal, but they do not help us to decide what we have to do here and now.

What we need is a statement of principles based on the realities of today, but looking beyond the practical measures required to deal with immediate predicaments. The purpose of this article is to submit such a set of principles as a basis for discussion.

First, however, we should consider some of the reasons why Israel should seek socialist solutions, instead of taking the advice of Professor Milton Friedman and adopting a modern version of the classical capitalist ideology.

The first reason is that, as a Jewish

state, we are heirs to the prophetic demand for social justice, the Messianic aspiration for a better world, and the Jewish tradition of mutual aid and care for the weak, as exemplified in biblical precepts, talmudic rulings and the social welfare institutions maintained by Jewish communities in the Diaspora.

These essential elements in Jewish tradition may be summed up in the talmudic maxim: "All Israel are responsible for one another," which could be adapted to the needs of a modern state as "All citizens are responsible for one another" — or, on the universal plane, "All mankind are responsible for one another."

This principle could also serve very well as a succinct definition of the essence of socialism, which may be regarded as the modern way of putting into practice these fundamental Jewish ideals. It is incompatible with the basic ideology of *laissez-faire* capitalism, which lets the weak go to the wall in order to maintain the incentives that are the motive power of competitive enterprise.

SECONDLY, ISRAEL is a Zionist state, almost three-quarters of whose Jewish population are immigrants or the offspring of immigrants, and which is dedicated to the ingathering of the exiles. Only on the basis of the socialist principle that the community is ultimately responsible for the welfare of the individual is it possible to absorb more immigrants, complete the integration of recent arrivals, supply the needs of the veteran population, and build a just society, which will be an example and a source of inspiration for the entire Jewish people, while protecting the civil, social and economic rights of the Arab and Druse minorities.

Lastly, as Ben-Gurion repeatedly pointed out, Israel can claim the allegiance not only of world Jewry but also the sympathy and support of the world at large only if it is more than an inferior copy of Western capitalist society, but aims at becoming what he called "a model nation" (*am segula*) and "a light to the peoples" (*or lagoyim*).

These terms are not boasts, but distant landmarks towards which we must set our course. With these considerations in mind, I suggest the following principles of modern democratic Zionist socialism for Israel, formulated on the basis of present-day reality but taking into account the imperative need to change many features of that reality for the sake of progress towards the ideal society.

THE DEMOCRATIC socialist society in Israel should be based on the equal value and mutual responsibility of all its members: the responsibility of the community for the welfare of the individual and the responsibility of the individual for the interests of his fellow men — which, in sum, make up the interests of the community.

Even a democratically elected government and legislature, which represent the interests of the community, however, should reduce to a minimum the fields in which they determine the actions of individuals and interfere in their lives.

The utmost possible scope should be accorded democratically elected local authorities, neighbourhood committees, trade unions, professional organizations and voluntary associations, as well as personal decisions in matters affecting the individual.

A SOCIALIST society should plan and organize the economy, in cooperation with representatives of various sections, in order to meet the needs of the entire population and prepare the infrastructure for the absorption of the immigrants.

Side by side with national ownership and development of land, water and other natural resources, as well as state enterprise where required, it should encourage creative initiative through various forms of public and private enterprise contributing to the achievement of national social and economic goals.

IT SHOULD try to enable every citizen to earn enough to maintain himself and his family by work of his own choice suitable to his inclinations, capacity and experience.

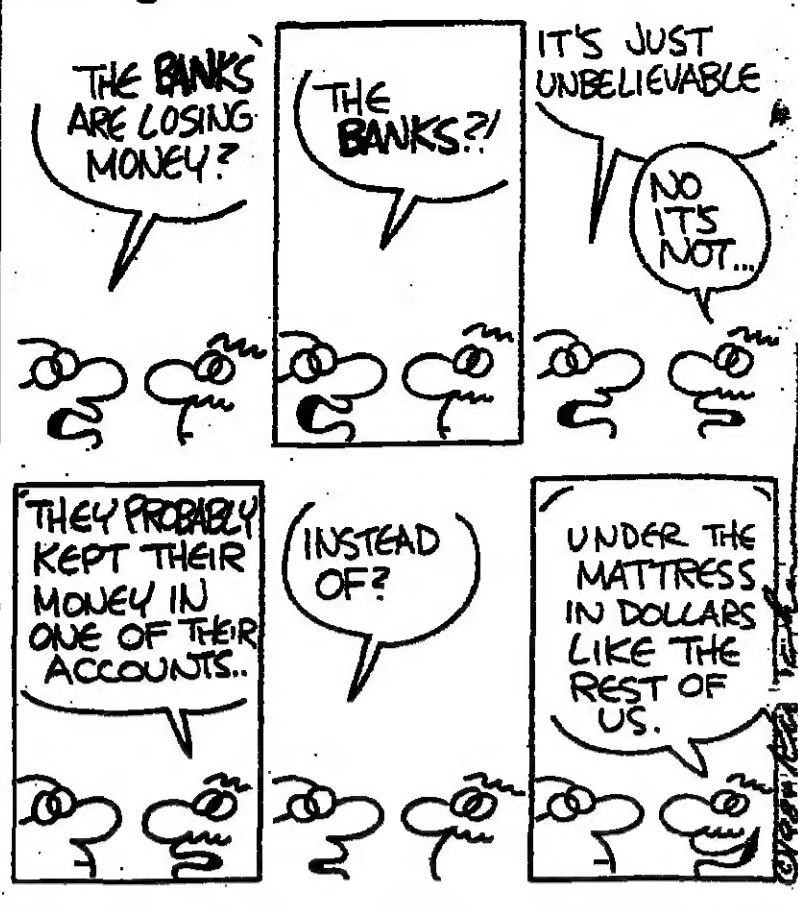
This formula is preferred to the well-known maxim "From each according to his ability; to each according to his needs," which would appear to imply a direct exclusive relationship between the individual and the state.

The will to support oneself and provide for the next generation are among the most fundamental human instincts. In the kibbutz, these instincts are satisfied on a collective basis; in the moshav and the town the basis is, and will remain, the family.

The institutions of the welfare state should be used to complement, not to usurp, the functions of the family.

IT SHOULD reduce the gap between the living standards of various sections of the community to the margins required in order to encour-

Dry Bones



age continual progress in skill and training, while enabling all workers to improve their qualifications and capacities, and to advance in responsibility and income according to their talents, experience and industry.

IT SHOULD supply basic educational and health services for the entire population, with the widest possible scope for local authorities, parents' associations, democratically controlled health funds and the like; ensure the availability of adequate housing, especially for new immigrants and young couples; and guarantee an adequate living income for the sick, the unemployed, orphans, widows, the elderly and invalids — all these of right and not as charity.

IT SHOULD provide for the maintenance and, as far as possible, rehabilitation of those incapacitated by congenital defects, mental deficiency or chronic ill-health — and, especially, provide education and equal opportunity for their children.

Paragraph 5 deals with emergencies arising in the lives of normally self-supporting members of the community who make provision for the appropriate services by their contributions to taxation, the National Insurance Institute and voluntary health and pension funds. Paragraph 6 is concerned with the community's provision for the needs of its weaker members.

Both types of service, as well as the labour legislation enacted by all progressive countries, are part of the "welfare state" system, which was originally introduced as an alternative to socialism but is now an integ-

ral part (though only a part) of democratic socialist practice.

THE DEMOCRATIC socialist state will cherish the Jewish heritage of all ages and all communities, while fostering cultural creativity and the emergence of an authentic Israeli culture, transmitting the best elements of universal human culture to the next generation and facilitating the cultural activities of the Arab and Druse minorities.

IT WILL base national and local government on full democracy and liberty of choice, the protection of universal human rights, freedom of expression, belief and worship for all religions, direct responsibility of public representatives to their electors, and full participation of the citizen in decisions affecting his life and his future.

It will maintain equality of civil, economic, social and cultural rights irrespective of origin, nationality or language.

IT WILL foster close mutual relations with Diaspora Jewry as partners in shaping the future of the Jewish state and the Jewish people.

IT WILL make every effort to establish peace and cooperation with the Arab states and, in particular, to settle the problem of the Palestinian Arabs on the basis of recognition of their right to self-rule and unhampered national and cultural development side by side with the State of Israel.

The writer is closely involved in Labour Party affairs.

The new Liberals

By HAIM SADAN

management of economic affairs. But it has failed to recognize the nature of our problems, which is how to release Israel's pent-up creative energy. We are being served reheated Alignment solutions to economic problems, and they are no longer relevant.

We are not a nation of refugees living on charity. Our men and women are well educated and self-confident. They are eager to get on

with the task of creating a modern scientific-industrial-agricultural economy. This they cannot do while enterprise is being held down by brittle rules and dried-up bureaucrats.

WHY SHOULD an investor who risks his own money, gives up his own time and knows his business better than anyone else, have to get permission from any government

agency whatsoever?

He should benefit automatically from tax incentives (which apply only if he makes a profit), subsidized interest rates and access to land. All the rules can be printed in a booklet, and good luck to him. It is the investor who will expand our economy and provide more and better jobs, earn export dollars, provide tax revenues and stem the tide of *yerida*.

Inflation can be controlled by linking government spending to our foreign currency reserves. With investors freed from government constraints, they will bring in foreign

currency directly and add to it through export earnings. This control mechanism will therefore not be a serious handicap for domestic programmes, assuming it is part of a liberalized economic policy.

These and related ideas are in fact represented by a political party, a new one that promises to provide Israel with its first real alternative in economic policy.

I am referring to the party called Ha'atzma'ut established a few years ago by Prof. Ezra Schar. Their platform is true liberal economics, their ideas are well thought through and practical. Unlike all the other parties, they are not simply complaining and finding fault, they have solutions. This party deserves the media attention that it has received.

Dr. Schar has served as policy adviser to the ministries of Education, Absorption and Health.

READERS' LETTERS

DUAL EXCHANGE RATE

To the Editor of The Jerusalem Post: Sir, — The Labour Party claims that it will not tamper with the value of dollar-linked saving plans. On the other hand, a party spokesman, Adi Amori, said that the party favoured establishing a higher second exchange rate for imports and exports.

The only purpose served by a dual exchange rate system is to allow the financial establishment, and in particular the government, to renege on dollar-linked commitments to the public. The government owes the Israeli public millions of dollars in dollar-linked bonds and has underwritten the dollar linkage of shekel deposits in the banks. As long as there is one exchange rate the costs of artificially lowering the value of the dollar, and in turn the government's obligations, is a very costly affair.

The minute there are two rates, the government has only to gain from manipulating the non-trade exchange rate. The government could, for example, raise the trade exchange rate of the dollar to 200 while reducing the "linkage" rate to 150. The true value of the dollar, of course, would be 200, but the government would only be obliged to pay 150 to holders of dollar-linked obligations.

The Labour Party proposal for a dual exchange system will serve to encourage the Israeli public once again to move its savings out of productive deposits into sterile foreign cash holdings.

AARON LERNER

Petah Tikva.

UNION OF ISRAEL AND PALESTINE

To the Editor of The Jerusalem Post

Sir, — When I was teaching economics at Birzeit University in the West Bank, several of my students suggested a union of Israel and Palestine (Palestine being the West Bank and Gaza). They said that if only some Arab or other leader would propose a peace conference between Israel and an elected Palestinian group from the West Bank-Gaza, the two sides could meet for about the five years it would take to negotiate a union of the three territories.

My students made five points: 1) Palestine (the West Bank-Gaza) would have home rule except for police, courts, foreign relations and the military. These four areas would remain with the central government in Jerusalem. 2) The president of the UIP would be an Arab for one term, a Jew the next. Freely elected members of parliament from Palestine representing all Arab and Jewish citizens would join the current membership in the Knesset from Israel. 3) As to how to elect the Palestinians who would negotiate a UIP, obviously, Israel would never accept any PLO sympathizers or any people living outside the West Bank-Gaza. A secret-ballot election would have to be held in these two areas, and only people living there would be eligible to vote or to be candidates. A candidate for the negotiating team would have to run as an individual and at large from both Gaza and the West Bank. The top 10 (or at the most 11) vote-getters would form the negotiating team, and with a simple majority of six votes binding on all issues.

4) Criticism of "selling out" the Palestinians could be met by

noting the presence of a secret ballot, and the resulting freely-elected negotiating team. The PLO, on the other hand, was appointed in 1974 as "sole voice of the Palestinian people" by a bunch of dictators and kings who have never faced a democratic election in their countries. Both Jordan and Egypt have repeatedly stated that sovereignty over the West Bank-Gaza belongs to the people of these areas. If they freely elect a negotiating team, the PLO cannot make any valid claims of representing them.

5) One vital benefit of a UIP might be a Mid-East Common Market (Mecom) with trade barriers coming down along with declining Arab-Jewish hostilities. A UIP would lead to a Mecom and to an easing of many social, political and economic problems in the area, such as Israel's permanent inflation.

Since leaving Birzeit in 1976, I have kept up with a number of Palestinians and many of my Palestinian acquaintances don't like the ideas in my letter. Most still talk about a separate state. They do, however, admit that this probably won't happen and that perhaps something along the lines of the UIP might occur...eventually.

CHARLES LEE KEETON 3RD
New Orleans, Louisiana

PENFRIENDS

SIGRID DUSCHKE (23), of Membracher Weg 2, 8520 Erlangen, West Germany, is a law student who would like to have an Israeli penfriend. Her hobbies are history, stamps and postcards.

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